CITY OF BEDFORD

Comprehensive Annual Financial Report

For the Year Ending September 30, 2020

City of Bedford, Texas

City of Bedford, Texas

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2020

Prepared By
City of Bedford Finance Department

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City of Bedford, Texas

Comprehensive Annual Financial Report
For the Year Ended September 30, 2020
Table of Contents

Page

Introductory Section
- Letter of Transmittal v
- Organizational Chart x
- Principal Officials xi
- Department of Financial Services xii
- Certificate of Achievement for Excellence in Financial Reporting xiii

Financial Section
- Independent Auditor's Report 3
- Management's Discussion and Analysis 5

Basic Financial Statements
- Government-Wide Statements
  - Statement of Net Position 15
  - Statement of Activities 16
- Fund Financial Statements
  - Balance Sheet - Governmental Funds 18
  - Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 21
  - Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds 22
  - Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities 24
  - Statement of Net Position - Proprietary Funds 25
  - Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds 26
  - Statement of Cash Flows - Proprietary Funds 27
- Notes to the Financial Statements 29

Required Supplementary Information
- Schedule of Changes in the City's Net Pension Liability and Related Ratios-TMRS 61
- Schedule of City Contributions – TMRS 62
- Notes to the Schedule of City Contributions 63
- Schedule of Changes in the City's Other Post-Employment Benefits Liabilities and Related Ratios-Retiree Health Care Plan 64
- Schedule of Contributions - Retiree Healthcare Plan 65
- Notes to the Schedule of Contributions – Retiree Healthcare Plan 66
- Budgetary Comparison Schedule General Fund 67
- Budgetary Comparison Schedule Economic Development 4B Fund 69
- Notes to the Budgetary Comparison Schedules 70

	Page	Table
Combining Fund Statements and Schedule		
Nonmajor Special Revenue Funds		
Combining Balance Sheet	74	
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	76	
Individual Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	80	
Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	86	
Statistical Section (Unaudited)		
Financial Trends		
Net Position by Component	93	1
Changes in Net Position	94	2
Fund Balances of Governmental Funds	98	3
Changes in Fund Balances of Governmental Funds	99	4
Revenue Capacity		
Tax Revenues by Source – Governmental Funds	103	5
Water Revenue	104	6
Principal Water Customers	105	7
Assessed Value and Estimated Actual Value of Taxable Property	106	8
Principal Property Taxpayers	107	9
Property Tax Levies and Collections	108	10
Debt Capacity		
Ratio of Outstanding Debt by Type	111	11
Ratio of Net General Bonded Debt Outstanding	112	12
Direct and Overlapping Governmental Activities Debt	113	13
Legal Debt Margin Information	114	14
Pledged Revenue Coverage	115	15
Demographic and Economic Information		
Demographic and Economic Statistics	119	16
Principal Employers	120	17
Direct and Overlapping Tax Rates	121	18
Operating Information		
Full-time Equivalent City Governmental Employees by Function/Program	125	19
Operating Indicators by Function/Program	126	20
Capital Asset Statistics by Function/Program	127	21

Introductory Section

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CITY of BEDFORD

2000 FOREST RIDGE DRIVE, BEDFORD, TEXAS 76021-1895

February 9, 2021

Citizens of Bedford, Honorable Mayor,
Members of the City Council and City Manager:

The Department of Financial Services is pleased to submit the Comprehensive Annual Financial Report for the City of Bedford, Texas (City), for the fiscal year ended September 30, 2020. This report was prepared through the cooperative effort of the Department of Financial Services and the City's independent auditor. It is published to provide the City Council, staff, citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation rests with the City. We believe the data, as presented, is accurate in all material aspects. It is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and all disclosures necessary have been included to enable the reader to gain the maximum understanding of the City's financial affairs.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, organizational chart and a list of principal officials. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements and combining and individual fund statements and schedules. The statistical section includes a variety of financial and demographic information presented on a multiyear basis that is relevant to a financial statement reader. The financial section is prepared in accordance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB).

CITY PROFILE

The City of Bedford is a predominately residential community located in Tarrant County, near several major transportation links between Dallas and Fort Worth. It is part of the "Metroplex" of North Central Texas, which includes the cities of Dallas and Fort Worth. The City of Bedford is bordered on the east and south by the City of Euless, on the west by the City of Hurst and on the north by the City of Colleyville. Bedford lies approximately five miles from the Dallas/Fort Worth International Airport, 12 miles from downtown Fort Worth and 20 miles from downtown Dallas There are three State Highways (183, 121, 157) and two Interstate Highways (35, 30) serving the City with the nearest Interstate located six miles away.

The City was incorporated in 1953 under the general laws of the state of Texas and the voters approved the current charter in 1966. The City is a home rule city and operates under the Council/Manager form of government. The City Council is composed of a mayor and six council members elected at large every three years.

THE REPORTING ENTITY AND ITS SERVICES

Generally accepted accounting principles require the general-purpose financial statements present the City (the primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on the criterion, the following blended component unit is included. The City of Bedford Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as a Special Revenue Fund as if it were part of the primary government because its sole purpose is to operate, maintain and finance the costs of the City's street improvements using sales taxes collected under Section 4B of the Development Corporation Act of 1979.

Services provided by the City under the general governmental functions include police and fire protection, emergency medical services, planning and zoning, code enforcement and inspections, street maintenance, parks, recreation, library and senior citizen services. A Special Revenue Fund is used to account for revenues derived from hotel/motel taxes, with proceeds used to promote tourism. Water and sewer services are provided under an enterprise fund concept, with user charges set by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Drainage maintenance services are also provided under the enterprise fund concept, implemented in 1991 in accordance with amendments to Title 13 of the Texas Local Government Code.

The water supply for the City of Bedford is provided by the Trinity River Authority (TRA), which provides treated water to Bedford, Euless, Colleyville, Grapevine and North Richland Hills pursuant to separate, but similar contracts dated January 21, 1972 and April 25, 1979. In October 1973 the Trinity River Authority (Central Regional Wastewater System) entered into a 50-year contract with numerous cities in the Metroplex, including the City of Bedford for construction of a wastewater treatment plant to service all contracting parties.

The original 50-year duration of the contract is automatically extended through the latest maturity of any TRA outstanding debt issues.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The information presented in the financial statements should be considered from the broad perspective of the specific environment within which the City operates.

In recent years, the City of Bedford, located in the heart of the Dallas/Fort Worth Metropolitan area (DFW), has experienced a significant slowdown in population growth. The 2010 census reflects a population of 46,979, which is approximately a 0.4% decrease from the census results of 2000. However, current population estimates are projected to be 49,582 or 5.54% above the census results.

Multiple light manufacturing firms are in Bedford, as well as a variety of commercial establishments, restaurants, health care facilities, retail stores, shops and food stores. Several of the retail shopping centers in the City are undergoing renovation and expansion. Undeveloped property accounts for approximately 2.0% of the total area in the City.

The City is not financially dependent upon any one industry, or type of industry. The City recognizes the value of commercial development to its economic base and continues to encourage commercial growth that will be beneficial to the community. During the course of the year, it witnessed 2.02% growth in sales tax collections by $236,672

As a policy, the City Council has set certain economic goals that are intended to attract high quality, visually appealing businesses, as well as revitalize and invest in areas that have seen some deterioration of economic activity. By emphasizing the need to be more business friendly, the goals of the City Council seek to provide the general direction for future land use plans and decisions for the City.

Current longer range financial planning primarily revolves around several major water/sewer system infrastructure projects as well as significant improvements to our drainage system. In addition, as the City is approximately 98% built out, significant planning initiatives are being considered to provide for re-development of certain aging corridors within the City.

A few years ago, the City witnessed the widening of State Highway 183 (Airport Freeway), which runs eastbound/westbound through the center of town. During this period, Bedford officials were highly successful in retaining existing businesses while recruiting new ones to the newly expanded highway corridor. In addition, the City is working diligently with property owners to maximize development opportunities because of the expansion. This includes creating incentive agreements between the City and the business community that creates jobs, enhance the tax base and secure revenue resources for the City.

To the extent that operations result in surplus funds, we will continue to fund various capital needs of a one-time nature from the surplus rather than issuing unnecessary debt.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary funds are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. The internal control structure is designed to provide reasonable but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management. We believe the City's internal control structure is adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The budgetary process begins each year with the preparation of revenue estimates by the City's Department of Financial Services staff and expenditure estimates by each City department. Estimates are reviewed by the City Manager, and evaluated within the total financial framework. Budget proposals are recommended by the City Manager and reviewed extensively by the City Council, a process that includes a public hearing. After the conclusion of the public hearing, the City Council may make changes as deemed appropriate. The budget as amended is then adopted by ordinance, which also adopts the tax rate.

In addition, the annual budget also contains a capital improvement program which may be revised and extended each year to indicate capital improvements pending or in process of construction or acquisition. The capital program includes a list of all capital improvements that are planned during the upcoming five fiscal years, cost estimates, time schedules and methods of financing for each improvement.

GENERAL GOVERNMENTAL FUNCTIONS

Property Taxes

All eligible property within the City is subject to assessment, levy, and collection of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under state law, the City is limited to a maximum tax rate of $2.50 per $100 assessed valuation.

In addition, the City's home rule charter limits the tax rate to a maximum of $1.50 per $100 assessed valuation. The appraisal of property within the City is the responsibility of the Tarrant Appraisal District (TAD). The City of Bedford and other taxing jurisdictions in Tarrant County provide a pro rata share of the budgeted expenditures incurred by TAD based upon individual levy. The City contracts with the Tarrant County Tax Office for tax billing and collection services.

OTHER INFORMATION

Audit

The City Charter requires an annual audit of the books of accounts, financial records and transactions of all administrative departments of the City by independent certified public accountants selected and engaged by the City Council. The Independent Auditor's Report is included in the financial section of this report.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bedford for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended September 30, 2019. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement a government unit must publish an easily readable and efficiently organized CAFR with contents that conform to program standards. In addition, an award winning CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the 24th consecutive year the City of Bedford has received the Certificate of Achievement. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA for their consideration.

ACKNOWLEDGMENTS

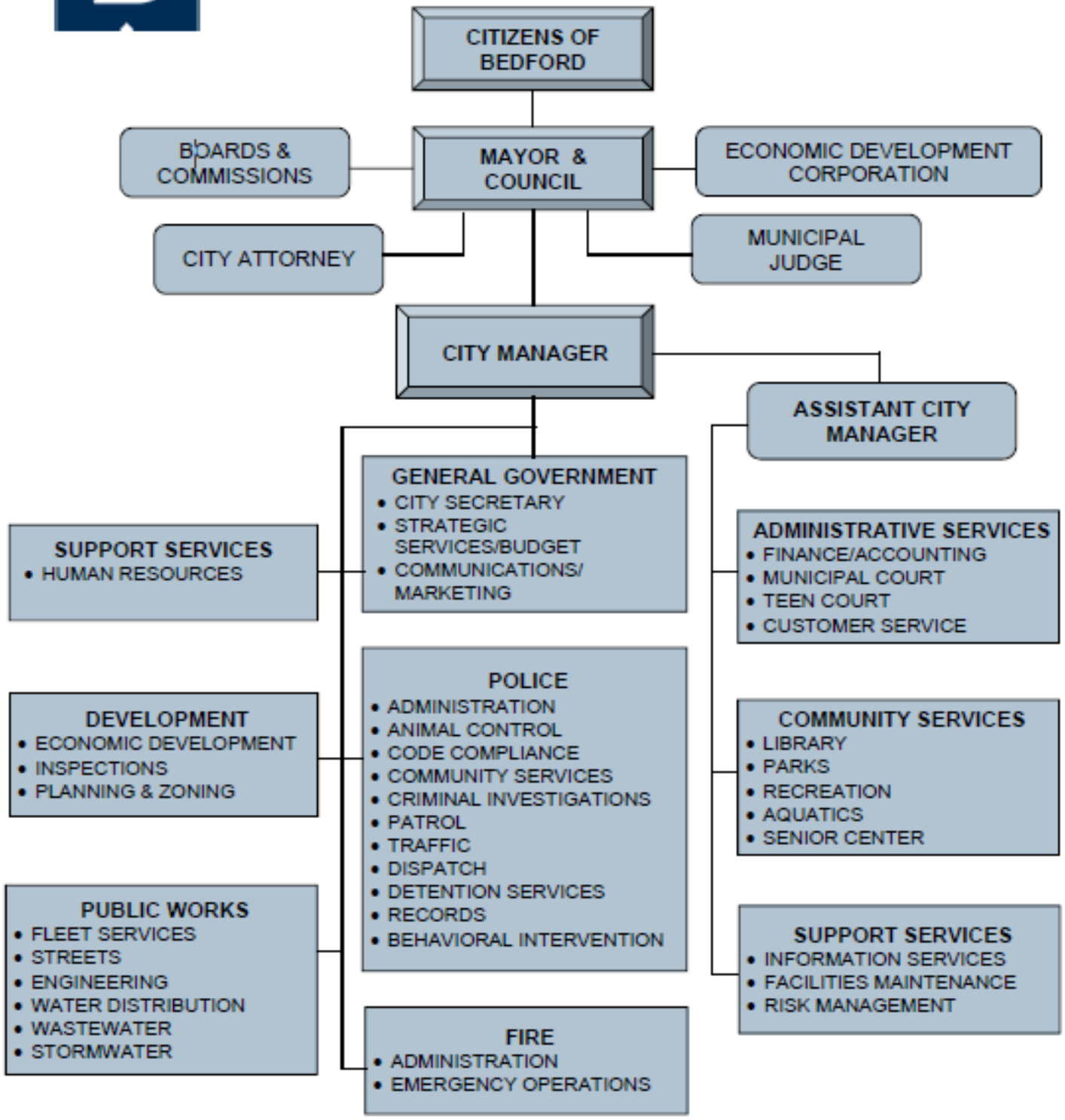
The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Department of Financial Services. Many individuals devoted extra hours and exhibited dedicated effort in ensuring the accuracy and timeliness of this report. Appreciation is expressed to the City employees throughout the organization, especially those responsible for the maintenance of records upon which this report is based. Special acknowledgment is extended to Paula McPartlin, Crystal Segovia, and the finance staff whose arduous work and dedication was instrumental in the preparation of this report. Acknowledgment is also given to representatives of Weaver and Tidwell, LLP for their assistance in producing the final product. This was the fourth year in which Weaver conducted an audit of the City's financials and a considerable amount of time and effort has been given to ensure accuracy. Our appreciation is extended to the Mayor, the members of the City Council and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Clifford Blackwell, C.G.F.O.

Assistant City Manager

CITY OF BEDFORD
ORGANIZATIONAL CHART



Principal Officials
Fiscal Year 2019-2020

Elected Officials
Bedford City Council

Michael Boyer
Mayor

Rusty Sartor
Place 1

Dan Cogen
Place 2

Amy Sabol
Mayor Pro Tem

Tom Burnett
Place 4

Ruth Culver
Place 5

Rob Gagliardi
Place 6

Senior Staff

James Stathatos ..... City Manager

Clifford W. Blackwell, III, C.G.F.O. ..... Assistant City Manager

Maria Joyner, CPA .....Director of Finance

Jeff Gibson .....Police Chief

Stephanie Ayers .....Director of Human Resources

Kenny Overstreet. ..... Director of Public Works/Engineering

Sean Fay..... Fire Chief

Bill Syblon .....Director of Development

Michael Wells ..... City Secretary

Natalie Foster ..... Public Information Officer

Megan Jakubik, C.G.F.O.....Strategic Services Manager

Comprehensive Annual Financial Report
Fiscal Year 2019-2020

City of Bedford, Texas

Prepared by the Department of Financial Services

Maria Joyner, CPA..... Director of Finance

Paula Y. McPartlin, C.G.F.O. ..... Assistant Finance Director

Crystal Segovia, C.G.F.O. .....Senior Accountant

Jennifer Garrett. ..... Financial Analyst

April Callahan.....Senior Accounting Technician

Charlenia Castillo..... Interim Accounting Technician

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bedford
Texas

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO

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Financial Section

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weaver
Assurance • Tax • Advisory

Independent Auditor's Report

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bedford, Texas (the City) as of and for the year ended September 30, 2020, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

The Mayor and City Council
City of Bedford, Texas
Bedford, Texas

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, pension and other postemployment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplemental information including the combining fund statements and the budgetary comparison schedule, and the statistical section listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental information including the combining fund statements and budgetary comparison schedule listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 3, 2021

Management's Discussion and Analysis

The discussion and analysis of the City of Bedford's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the accompanying letter of transmittal and the City's basic financial statements.

Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $85,412,112 (net position).

The City's net position increased $11,509,336 or 15.6%. The City experienced improved total revenues from governmental activities over the prior year due primarily to an increases in tax revenues and operating grants. The growth in operating grants was due to an increase in Federal grants received. The grant came from the City's allocation of CARES funds received to help offset the fiscal impacts of the Coronavirus pandemic (COVID-19). The investment earnings decreased from $3,191,369 to $1,898,862 for fiscal years 2019 to 2020, respectively; resulting in a decrease of $1,292,507 or 40.5%.

As of September 30, 2020, the City's governmental funds reported combined ending fund balances of $93,603,170. This represents an increase of $10,489,223 in comparison to the prior fiscal year, as prior year debt proceeds are used for capital construction projects. Throughout the fiscal year, the City also witnessed 5.4% growth in assessed valuations that resulted in a $2,347,531 increase in tax revenues.

Lastly, the City issued new debt of $5,490,000 in 2019 Taxable General Obligation Bonds and $8,815,000 in 2019 General Obligation Refunding and Improvement Bonds. The total debt obligations increased by 1.9% from $141,535,302 to $144,156,293. In addition, as a part of annual debt service requirements, principal payments of $11,710,000 were made during the 2019/2020 fiscal year.

Using This Annual Report

This comprehensive annual financial report consists of a series of financial statements that serve as an introduction to the City of Bedford's financial health. The statement of net position provides information about the financial activities of the City, and it presents a long-term view of the finances.

The next section is the fund financial statements which shows how municipal services are financed in the short-term. In addition, it reports the operations in more detail than what the government-wide statements provide about the City's most financially significant funds. Lastly, this report also includes other supplementary information in addition to the basic financial statements.

Reporting the City as a Whole

The statement of net position, also known as a 'balance sheet, presents the City's financials in the following manner. It compares the assets, or what is owned, against its liabilities, or what is owed, and measures the difference as the net position. The statement of activities, which is like an income statement, reports the municipal revenues in the form of contributions, program fees, charges for services, and other amounts released from restrictions. In addition, it categorizes municipal expenses in the form of primary government activities and proprietary or business-type activities. The difference between both areas, results in an increase or decrease in the net position of the statement of activities.

Governmental Activities. Most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation and general administration. Taxes (property, sales, franchise, mixed beverage), licenses/permits, charges for services, and fines/forfeitures finance most of these activities.

Business-type Activities. The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer and storm water system facilities are reported here.

The net position highlights the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Over time, increases or decreases in the City's net position exemplifies how the financial health is improving or deteriorating. By assessing health of the City, it is important to consider other nonfinancial factors including changes in the City's property tax base, the economic impact of municipal cost index and the condition of the City's capital infrastructure (roads, buildings, water, and sewer lines) to assess the value.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds. Some funds are required by state law. However, the City Council establishes many other funds that fulfils specific purposes or meet statutory requirements.

The City has two types of funds: governmental and proprietary. Each fund uses different accounting approaches.

Governmental Funds

Most of the City's basic services are reported in governmental funds, which cannot be accounted for in any other specialized fund. These funds use the modified accrual basis of accounting, which recognizes revenues when they become available and measurable. They also recognize expenditures when liabilities are incurred. Fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps financial statement readers determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (of differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds within two reconciliations which outline individual financial items or factors converting the modified basis of accounting presentation to the full accrual basis of accounting presentation. These can be found following both the balance sheet and statement of revenues, expenditures and changes in fund balances.

Proprietary Funds

Proprietary funds use the full accrual basis of accounting. Meaning, these funds recognize the financial effect of events that impact an entity during the accounting period, regardless of whether cash was received or spent. In addition, under the full accrual basis, proprietary funds identify the full cost of services and usually create a fee structure that recaptures the true cost. A city may maintain two types of proprietary funds to record charges for the full cost of the services it provides whether to outside customers or to other units of the city. These services are reported in either Enterprise Funds or Internal Service Funds.

Enterprise Funds. Are used to report the same function presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for its water and sewer and storm water operations.

Internal Service Funds. Are an accounting device used to accumulate costs internally among various functions of the City. The City currently has no operations that qualify as an Internal Service Fund.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources would not be available to support the City's own programs. The City of Bedford currently has no fiduciary funds.

Major Governmental Funds

As noted, Bedford uses fund accounting to ensure and demonstrate compliance within the generally accepted accounting principles. The focus of governmental funds is to provide information on inflows, outflows and balances of spendable resources. Information such as unassigned fund balance serves as a useful measure of the City's ability to finance unforeseen upcoming obligations. As a measure of the General Fund's liquidity, the year ending unassigned fund balance of $17,752,892 represents 46.6% (approximately 170 days) of next year's budgeted expenditures. The fund balance of the General Fund increased $4,933,615 during the current fiscal year. The key factor for the increase in fund balance came from the City's allocation of CARES funds received to help offset the fiscal impacts of the Coronavirus pandemic (COVID-19). Other activities that impacted fund balance compared to the prior year include a $2.5 million increase in Taxes, Penalty, and Interest and an overall decrease of $1.5 million in expenditures.

The Debt Service Fund has a total fund balance of $1,055,347, all of which is reserved for the payment of debt. The fund decreased by $31,725 or 2.9% during the current year, due to a decline in tax assessment income levels. The fund has been used to not only pay annual debt service requirements but it also covers contractual service costs for arbitrage calculations as well as a pro-rata share of investment advisory services. These expenditures contribute to the total payment from the Debt Service Fund.

The Economic Development 4B Fund has a total fund balance of $2,943,949, most of which is reserved for street infrastructure improvements and maintenance. The current year fund balance decreased by $505,963 or 14.7% due to an increase in capital outlay.

The Capital Projects Fund has a total fund balance of $68,344,678, most of which is for construction projects. The current year fund balance increased by $5,703,991 or 9.1% due to new issuance of debt.

The City as a Whole

The City's combined net position changed from a year ago, increasing from $73,902,776 to $85,412,112. The net position and net expenses of governmental and business-type activities have significant changes occurring this year. The analysis below focuses on the net position and changes in net position of the City's governmental and business-type activities.

The net position of the City's governmental activities increased by $9,429,319 or 31.2%, from $30,217,598 last fiscal year, to $39,646,917 as of September 30, 2020, primarily due to increases in property tax and miscellaneous revenue that contributed to a net surplus over expenditures. In the business-type activities, the net position increased from $43,685,178 to $45,765,195, or 4.76%, primarily due to the increased water and sewer sales and charges for services. The unrestricted net position of the City's governmental activities (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) increased from $(3,266,088) to $2,257,244 as of September 30, 2020, or 169.1%. The reason for the increase in the governmental unrestricted net position is due to the increase in Property taxes, penalty and interest. The unrestricted net position of the business-type activities increased from $4,168,137 to $6,609,492 as of September 30, 2020, or 58.57%. The primary reason for the increase is construction of capital assets using prior debt proceeds.

The City as a Whole – Continued

The restricted net position of the City, those restricted mainly for capital acquisition, debt service, economic development, public safety and parks and beautification decreased from $7,228,742 to $6,520,240 or 9%, primarily due to the decrease in street, drainage, and capital improvements and the decrease in Economic development.

The largest portion of the City's net position, $70 million, 78%, reflects an investment in capital assets, less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Resources needed to repay debt associated with acquisition of these assets must be provided from other sources, since the capital assets themselves cannot be used for this purpose.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current assets	$ 99,743	$ 87,199	$ 21,596	$ 23,144	$ 121,339	$ 110,343
Restricted investments	-	-	28,509	29,786	28,509	29,786
Capital assets	41,340	38,053	64,745	63,537	106,085	101,590
Total assets	141,083	125,252	114,850	116,467	255,933	241,719
Deferred outflows of resources	1,764	2,921	159	308	1,923	3,229
Current liabilities	11,949	9,661	5,808	6,857	17,757	16,518
Long-term liabilities	89,456	87,735	63,296	66,170	152,752	153,905
Total liabilities	101,405	97,396	69,104	73,027	170,509	170,423
Deferred inflows of resources	1,795	559	140	63	1,935	622
Net Position						
Net Investment in capital assets	30,870	26,262	39,149	39,510	70,019	65,772
Restricted	6,520	7,222	7	7	6,527	7,229
Unrestricted	2,257	(3,266)	6,609	4,168	8,866	902
Total net position	$ 39,647	$ 30,218	$ 45,765	$ 43,685	$ 85,412	$ 73,903

Governmental Activities. The program revenues for the governmental activities were $7,443,766 and total general revenues and transfers were $45,210,541 for the fiscal year ending September 30, 2020. Expenses for these activities were $43,224,988. Net position for Governmental Activities increased by $9,429,319. This was primarily caused by a 9.9% increase in tax revenues and 14.1% increase in program revenues.

Business-type Activities. The program revenues for the City's business-type activities were $25,232,314 for the fiscal year ended September 30, 2020. Expenses for these activities were $20,912,571, resulting in income of $4,319,743 from operations before nonoperating revenues and expenses. Net position with the inclusion of nonoperating activities and transfers increased by $2,080,017. This is primarily due to increased water and sewer revenues.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues						
Charges for services	$ 4,879	$ 6,177	$ 25,081	$ 23,877	$ 29,960	$ 30,054
Operating grants and contributions	1,980	64	-	-	1,980	64
Capital grants and contributions	585	283	151	56	736	339
General revenues						
Property taxes	24,479	22,132	-	-	24,479	22,132
Other taxes	15,871	15,982	-	-	15,871	15,982
Interest and investment earnings	1,356	2,184	543	1,007	1,899	3,191
Gain on sale of assets	34	14	(10)	101	24	115
Other general revenue	698	112	-	-	698	112
Total revenues	49,882	46,948	25,765	25,041	75,647	71,989
Expenses						
Public safety	22,347	22,464	-	-	22,347	22,464
Leisure services	4,628	5,427	-	-	4,628	5,427
Community services	2,028	2,624	-	-	2,028	2,624
General government/administration	6,157	5,388	-	-	6,157	5,388
Public services	5,312	6,823	-	-	5,312	6,823
Interest on long term debt	2,753	2,946	-	-	2,753	2,946
Water and sewer	-	-	19,940	19,955	19,940	19,955
Stormwater	-	-	973	1,145	973	1,145
Total expenses	43,225	45,672	20,913	21,100	64,138	66,772
Increases (decreases) in net position before transfers	6,657	1,276	4,852	3,941	11,509	5,217
Transfers	2,772	2,864	(2,772)	(2,864)	-	-
Increase in net position	9,429	4,140	2,080	1,077	11,509	5,217
Net position - October 1	30,218	26,078	43,685	42,608	73,903	68,686
Net position - September 30	$ 39,647	$ 30,218	$ 45,765	$ 43,685	$ 85,412	$ 73,903

General Fund Budgetary Highlights

General Fund budget to actual performance for the fiscal year outperformed budgetary expectations, primarily in taxes, penalty and interest. The total operating revenues were $36,500,830, which was over budgetary expectations by $1,740,163. The total operating expenditures were $34,790,383, which was under budgetary expectations by $2,611,218. The total other financing sources were $3,223,168 which was over budgetary expectations by $261,950. The General Fund completed the fiscal year with a positive variance that resulted in a $4,933,615 net increase in fund balance.

The City's Funds

The following tables present a summary of General, Debt Service, Economic Development 4B, Capital Projects and Special Revenue Fund revenues and expenditures for the fiscal year ended September 30, 2020, and the amount and percentage of increases and decreases in relation to the prior year:

General Revenues
(in thousands)

	2019	2020	2020 Percent of Total	Increase (Decrease) from 2019	Percent Increase (Decrease)
Taxes	$ 38,133	$ 40,181	81%	$ 2,048	5%
Licenses, permits, and fees	1,003	1,031	2%	28	3%
Charges for services	3,363	2,427	5%	(936)	-28%
Fines and forfeitures	1,476	1,048	2%	(428)	-29%
Intergovernmental	521	678	1%	157	30%
Interest	2,184	1,356	3%	(828)	-38%
Miscellaneous	213	2,729	6%	2,516	1181%
Total	$ 46,893	$ 49,450	100%	$ 2,557	5%

General Expenditures
(in thousands)

	2019	2020	2020 Percent of Total	Increase (Decrease) from 2019	Percent Increase (Decrease)
General government	$ 2,402	$ 3,490	7%	$ 1,088	45%
Community services	2,458	1,897	4%	(561)	-23%
Public services	5,199	4,170	8%	(1,029)	-20%
Administrative services	2,708	2,503	5%	(205)	-8%
Public safety	20,882	21,672	42%	790	4%
Leisure services	4,305	3,613	7%	(692)	-16%
Capital outlay	6,274	6,752	13%	478	8%
Debt service	8,151	7,854	15%	(297)	-4%
Total	$ 52,379	$ 51,951	100%	$ (428)	-1%

Interest income decreased 38% due to a decline in market conditions. The expenditure decrease in public services by 20% was primarily a result of the transfer of the Facility Maintenance division from Public Services to General Government. Capital outlay increased by 8% primarily due to expenditures related to the Phase Next Project.

Capital Asset and Debt Administration

Capital Assets

As of September 30, 2020, the City has $318,141,072 invested in capital assets including land, police and fire equipment, buildings, park facilities, roads, water, sewer, and storm water facilities. This represents a net increase of $8,130,362, or 2.6%, over last year. Capital assets net of depreciation increased by approximately $4,493,872, or 4.4%, due to water line improvements and an increase in Phase Next construction in progress. The City's capital plans for fiscal year 2020/2021 call for expenditures of approximately $74.3 million for capital projects, primarily in the following categories: park improvements, streets, drainage, water and sewer distribution system.

For fiscal year 2020/2021 the estimated capital improvement for water and sewer projects is $12,950,000. The most notable of these projects is the SWIFT Water Line Replacement project which is estimated at $28.8 million over five years. Many of the water lines in the City are 30 plus years old and are rapidly deteriorating. Many of the water lines that will be replaced have had multiple breaks, placing customers without service and water loss. This large project will consist of multiple smaller projects for the replacement of these lines.

The estimated park improvement for fiscal year 2020/2021 is $59 million for the Phase Next project. This capital improvement will consist of new ball fields, a multi-generational event facility, an indoor/outdoor aquatic center, as well as a proposed art and entertainment facility.

Additional information on capital asset activity can be found in Note 7 of this report.

Capital Assets at Year-End
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	$ 10,466	$ 10,466	$ 100	$ 100	$ 10,566	$ 10,566
Buildings and structures	25,895	25,774	903	675	26,798	26,449
Other improvements	132,915	132,308	-	-	132,915	132,308
Equipment	32,506	32,148	4,024	4,056	36,530	36,204
Utility distribution	-	-	102,076	100,582	102,076	100,582
Construction in progress	5,527	1,802	3,729	2,099	9,256	3,901
Total capital assets	207,308	202,498	110,833	107,512	318,141	310,010
Accumulated depreciation	(165,968)	(164,445)	(46,088)	(43,975)	(212,057)	(208,420)
Total capital assets net of accumulaed depreciation	$ 41,340	$ 38,053	$ 64,745	$ 63,537	$ 106,084	$ 101,590

Debt

At year-end, the City had $144,156,293 in General Obligation Bonds, Combination Tax and Revenue Certificates of Obligation, Contractual Obligations and capital lease obligations compared to $141,535,302 at the end of the prior fiscal year, an increase of 1.9%. The primary reason for the increase is net effect of adding $10.17 million in new debt and retiring $7.55 million in bonds. In October 2019, the City issued $5,490,000 of Taxable General Obligation Bonds and $8,815,000 of General Obligation Refunding and Improvement Bonds used to refund $4,720,000 of outstanding Series 2010 General Obligation Bonds and Certificates of Obligation. During fiscal year 2020 the City retired $4.13 million in General Bonds, $2.16 million in Certificates of Obligations and $700k in tax notes.

Outstanding Debt at Year-End
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligations	$ 75,026	$ 68,611	$ 9,087	$ 8,764	$ 84,113	$ 77,375
Certificates of obligation	1,862	2,290	55,535	58,278	57,397	60,568
Tax note	2,601	3,327	-	-	2,601	3,327
Capital lease	44	265	-	-	44	265
Total	$ 79,533	$ 74,493	$ 64,622	$ 67,042	$ 144,155	$ 141,535

The City of Bedford maintains an "AA" rating as it pertains to general obligation bond issuances. The City's rating outlook from S&P's is "Stable." S&P's rating reflects their view of the City's strong wealth and income levels, its historically strong financial performance and reserves, and its moderate debt burden. In their opinion, the City budgetary flexibility remains very strong with reserves above 20% of expenditures. The General Obligation bonds are secured by an ad valorem tax levied against all taxable property within the City, within the limits prescribed by law. Additional information regarding the City's long-term debt can be found in *Note 8* of this report.

Economic Factors and Next Year's Budgets and Rates

The City has witnessed record growth in taxable values this fiscal year. In addition, staff made a concerted effort to think beyond the service needs of a single year and focus more on the fiscal impact of operations and services into future years. Therefore, the City Council adopted a budget that strategically addresses long standing needs in order to maintain high quality service to the citizens of Bedford. By doing so, they increased the property tax rate from $0.561862 per $100 assessed valuation (A.V.) to $0.569000 per A.V., which is an increase of $0.007138 cents.

In budget year 2020, the Council continued its goal to fund a compensation plan for employees to meet current market levels. They did so by approving funding for year four of a seven-year step plan for public safety personnel. Within this plan, members of the public safety departments may receive mandatory increases in salaries over a seven-year period, so long as budgetary funds are available. In addition, non-public safety personnel will receive cost-of-living increases as well.

Moreover, to keep up with increased wholesale water and wastewater costs, the City Council authorized pass-through rate increases for both areas. In addition, the City conducted another rate study and found that in addition to increased wholesale water and wastewater costs, additional increases in the wastewater rates were deemed necessary to meet cost of service levels. In addition, the City's commitment to the SWIFT program will meet the City Council's goal of replacing the aging water infrastructure throughout the City in addition to improving accuracy and efficiency of meter reading operations, reducing both water loss and overall related costs for the City.

Contacting The City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Division at 2000 Forest Ridge Drive, Bedford, Texas 76021.

Basic Financial Statements

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City of Bedford, Texas
Statement of Net Position
Year Ended September 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 66,882,807	$ 13,073,851	$ 79,956,658
Investments	28,366,702	4,694,405	33,061,107
Accounts receivables, net of allowance	4,455,666	3,548,751	8,004,417
Inventories and prepaid expenses	38,089	278,724	316,813
Total current assets	99,743,264	21,595,731	121,338,995
Noncurrent assets			
Restricted investments with trustee	-	28,509,450	28,509,450
Capital assets, not being depreciated	15,993,279	3,829,504	19,822,783
Capital assets, being depreciated, net	25,346,539	60,915,144	86,261,683
Total noncurrent assets	41,339,818	93,254,098	134,593,916
Total assets	141,083,082	114,849,829	255,932,911
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension and OPEB contributions	1,458,381	139,224	1,597,605
Deferred pension and OPEB change in assumptions	229,089	19,959	249,048
Deferred OPEB experience difference	933	2	935
Deferred charges on refundings	76,040	-	76,040
Total deferred outflows of resources	1,764,443	159,185	1,923,628
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	4,453,601	1,727,140	6,180,741
Accrued interest	471,899	307,278	779,177
Customer deposits	-	1,130,394	1,130,394
Unearned revenue	778,181	-	778,181
Current portion of bonds payable and capital leases	4,837,398	2,554,706	7,392,104
Current portion of compensated absences	1,408,053	88,097	1,496,150
Total current liabilities	11,949,132	5,807,615	17,756,747
Noncurrent liabilities			
Bonds payable	74,696,933	62,067,256	136,764,189
Compensated absences	2,816,107	176,194	2,992,301
Net pension liability	10,613,978	1,049,734	11,663,712
Other post-employment benefits	1,328,824	2,663	1,331,487
Total noncurrent liabilities	89,455,842	63,295,847	152,751,689
Total liabilities	101,404,974	69,103,462	170,508,436
DEFERRED INFLOWS OF RESOURCES			
Deferred gains on bond refunding	-	1,951	1,951
Deferred pension and OPEB investment difference	855,239	84,572	939,811
Deferred pension and OPEB change in assumptions	20,673	41	20,714
Deferred pension and OPEB experience difference	919,722	53,793	973,515
Total deferred inflows of resources	1,795,634	140,357	1,935,991
NET POSITION			
Net investment in capital assets	30,869,433	39,149,012	70,018,445
Restricted for			
Street, drainage, and capital improvements	1,899,292	6,691	1,905,983
Debt service	751,304	-	751,304
Economic development	3,413,108	-	3,413,108
Other purposes	96,747	-	96,747
Public safety	205,401	-	205,401
Parks and beautification	154,388	-	154,388
Unrestricted	2,257,244	6,609,492	8,866,736
TOTAL NET POSITION	$ 39,646,917	$ 45,765,195	$ 85,412,112

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas
Statement of Activities
Year Ended September 30, 2020

Program Activities	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
General government and administration	$ 6,156,789	$ 87,443	$ 1,112	$ -
Community services	2,027,787	1,125,668	-	-
Public services	5,312,274	235	-	222,110
Public safety	22,347,021	3,570,409	1,979,268	348,213
Leisure services	4,627,770	94,790	-	14,518
Interest expense	2,753,347	-	-	-
Total governmental activities	43,224,988	4,878,545	1,980,380	584,841
Business-type activities				
Water and sewer services	19,939,424	23,381,490	-	147,720
Stormwater collection and disposal	973,147	1,700,008	-	3,096
Total business-type activities	20,912,571	25,081,498	-	150,816
TOTAL PRIMARY GOVERNMENT	$ 64,137,559	$ 29,960,043	$ 1,980,380	$ 735,657

General revenues	
Taxes	
Property taxes, penalty and interest	
Sales	
Franchise	
Occupancy	
Other	
Investment earnings	
Gain (loss) on disposal of capital assets	
Miscellaneous	
Transfers	
Total general revenues and transfers	
Changes in net position	
Net position, beginning of year	
NET POSITION, end of year	

The Notes to the Financial Statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (6,068,234)	$ -	$ (6,068,234)
(902,119)	-	(902,119)
(5,089,929)	-	(5,089,929)
(16,449,131)	-	(16,449,131)
(4,518,462)	-	(4,518,462)
(2,753,347)	-	(2,753,347)
(35,781,222)	-	(35,781,222)
-	3,589,786	3,589,786
-	729,957	729,957
-	4,319,743	4,319,743
$ (35,781,222)	$ 4,319,743	$ (31,461,479)
$ 24,479,357	$ -	$ 24,479,357
12,201,337	-	12,201,337
2,922,138	-	2,922,138
729,835	-	729,835
18,000	-	18,000
1,355,958	542,904	1,898,862
34,202	(10,268)	23,934
697,352	-	697,352
2,772,362	(2,772,362)	-
45,210,541	(2,239,726)	42,970,815
9,429,319	2,080,017	11,509,336
30,217,598	43,685,178	73,902,776
$ 39,646,917	$ 45,765,195	$ 85,412,112

City of Bedford, Texas

Balance Sheet – Governmental Funds
September 30, 2020

	General	Debt Service	Economic Development 4B
ASSETS			
Cash and cash equivalents	$ 14,621,216	$ 1,101,790	$ 2,094,222
Investments	4,559,329	-	501,080
Receivables			
Taxes, less allowance for uncollectible	2,588,685	123,013	540,880
Accounts	442,195	-	27,774
Other	368,098	-	-
Due from other funds	4,411	-	-
Inventories and prepaid items	38,089	-	-
Total assets	22,622,023	1,224,803	3,163,956
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	3,516,165	1,600	220,007
Due to other funds	-	-	-
Unearned revenue	778,181	-	-
Total liabilities	4,294,346	1,600	220,007
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	501,232	167,856	-
FUND BALANCES			
Nonspendable			
Inventories and prepaid items	38,089	-	-
Restricted for			
Debt service	-	1,055,347	-
Street and drainage improvements	35,464	-	-
Capital acquisition and construction	-	-	-
Economic development	-	-	2,943,949
Public safety	-	-	-
Parks and beautification	-	-	-
Other	-	-	-
Unassigned	17,752,892	-	-
Total fund balances	17,826,445	1,055,347	2,943,949
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 22,622,023	$ 1,224,803	$ 3,163,956

The Notes to the Financial Statements are an integral part of this statement.

Capital Projects	Nonmajor Government	Total
$ 47,204,878	$ 1,860,701	$ 66,882,807
21,785,085	1,521,208	28,366,702
-	-	3,252,578
-	116,549	586,518
9,248	239,224	616,570
-	-	4,411
-	-	38,089
68,999,211	3,737,682	99,747,675
654,533	61,296	4,453,601
-	4,411	4,411
-	-	778,181
654,533	65,707	5,236,193
-	239,224	908,312
-	-	38,089
-	-	1,055,347
-	2,507,056	2,542,520
68,344,678	-	68,344,678
-	469,159	3,413,108
-	205,401	205,401
-	154,388	154,388
-	96,747	96,747
-	-	17,752,892
68,344,678	3,432,751	93,603,170
$ 68,999,211	$ 3,737,682	$ 99,747,675

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City of Bedford, Texas
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2020

Fund balances of governmental funds		$ 93,603,170
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets (net of accumulated depreciation) used in governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds. Capital assets are reported in the government-wide financial statements, net of accumulated depreciation.		41,339,818
Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(471,899)
Revenues earned but not available within 60 days of the year-end are not recognized as revenue on the fund financial statements.		908,312
Deferred outflows of resources and deferred inflows of resources represent amounts related to future periods and, therefore, are not reported in the fund financial statements. Deferred outflows of resources and deferred inflows of resources at year-end consist of:		
Employer pension and OPEB contributions	1,458,381	
Pension and OPEB change in assumptions	229,089	
Pension and OPEB Investment difference	933	
Deferred charges on refundings	76,040	
Pension and OPEB Investment difference	(855,239)	
Pension and OPEB change in assumptions	(20,673)	
Pension and OPEB experience difference	(919,722)	(31,191)
Noncurent liabilities, including bonds payable and net pension liability are not due and payable in the current period and therefore are not reported in the fund financial statements. Noncurrent liabilities at year-end consist of:		
General and contractual obligation bonds	(76,295,000)	
Bond premium	(3,194,842)	
Net pension liability	(10,613,978)	
Compensated absences	(4,224,160)	
OPEB liability	(1,328,824)	
Capital leases	(44,489)	(95,701,293)
Total net position of governmental activities		$ 39,646,917

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds
Year Ended September 30, 2020

	General	Debt Service	Economic Development 4B
REVENUES			
Taxes, penalty and interest	$ 28,893,478	$ 7,458,955	$ 3,023,794
Licenses, permits, and fees	1,030,639	-	-
Charges for services	2,425,942	-	-
Fines and forfeitures	993,581	-	-
Support from governmental entities	341,694	-	-
Interest	195,069	18,866	38,434
Miscellaneous	2,620,427	-	-
Total revenues	36,500,830	7,477,821	3,062,228
EXPENDITURES			
Current			
General government	3,490,409	-	-
Community services	1,517,572	-	-
Public services	1,888,513	-	2,281,955
Administrative services	2,461,488	-	-
Public safety	21,527,279	-	-
Leisure services	3,470,678	-	-
Capital outlay	210,156	-	1,036,236
Debt service			
Principal retirement	220,799	4,605,000	-
Interest and fiscal agent fees	3,489	2,933,331	-
Total expenditures	34,790,383	7,538,331	3,318,191
Excess (deficiency) of revenues over (under) expenditures	1,710,447	(60,510)	(255,963)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,149,277	-	-
Transfers out	(15,000)	-	(250,000)
Proceeds from issuance of long-term debt	-	3,175,000	-
Payments to refund escrow	-	(3,352,149)	-
Premium on bonds issued	-	205,934	-
Proceeds from sale of capital assets	34,202	-	-
Insurance proceeds	54,689	-	-
Total other financing sources (uses)	3,223,168	28,785	(250,000)
Net change in fund balance	4,933,615	(31,725)	(505,963)
Fund balances, beginning of year	12,892,830	1,087,072	3,449,912
FUND BALANCES, end of year	$ 17,826,445	$ 1,055,347	$ 2,943,949

The Notes to the Financial Statements are an integral part of this statement.

Capital Projects	Nonmajor Government	Total
$ -	$ 804,695	$ 40,180,922
-	-	1,030,639
-	1,461	2,427,403
-	54,382	1,047,963
-	336,584	678,278
1,047,618	55,971	1,355,958
18,000	90,954	2,729,381
1,065,618	1,344,047	49,450,544
-	-	3,490,409
-	379,160	1,896,732
-	-	4,170,468
-	41,122	2,502,610
-	144,770	21,672,049
87,329	54,976	3,612,983
5,283,244	222,799	6,752,435
-	-	4,825,799
91,841	-	3,028,661
5,462,414	842,827	51,952,146
(4,396,796)	501,220	(2,501,602)
-	15,000	3,164,277
-	(126,915)	(391,915)
9,805,000	-	12,980,000
-	-	(3,352,149)
295,787	-	501,721
-	-	34,202
-	-	54,689
10,100,787	(111,915)	12,990,825
5,703,991	389,305	10,489,223
62,640,687	3,043,446	83,113,947
$ 68,344,678	$ 3,432,751	$ 93,603,170

City of Bedford, Texas

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2020

Net change in fund balances – total governmental funds		$ 10,489,223
Amounts reported for governmental activities in the statement of activities are different		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		6,936,389
Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.		(3,649,898)
Current year principal payments of long-term liabilities are shown as expenditures in the fund financial statements, but shown as reductions in long-term liabilities in the government-wide financial statements as follows:		
General and certificates of obligation bonds	4,605,000	
Capital lease	220,799	
		4,825,799
The issuance of long-term debt, such as bonds and capital leases, are shown as "Other Sources" and "Other Uses" in the governmental funds, but are shown on the statement of net position with related costs amortized over the life of the bonds. Differences consist of the following:		
Issuance of general obligation bonds	(12,980,000)	
Premium on bonds issued	(501,721)	
Payment to escrow agent	3,352,149	
Amortization of refunding loss	(9,156)	
Amortization of bond premium	284,539	
		(9,854,189)
Current year pension expenditures are reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in deferred outflows of resources and deferred inflow of resources balances.		(164,012)
Current year OPEB benefit reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in OPEB liability, deferred outflows of resources and deferred inflow of resources balances.		850,703
Current year change in long-term liability for compensated absences liability do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. This is reflected in current and noncurrent compensated absences.		(149,027)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		(69)
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. This is the net change in these revenues for the year.		144,400
Change in net position of governmental activities		$ 9,429,319

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas
Statement of Net Position
Proprietary Funds
September 30, 2020

	Water and Sewer	Stormwater Utility	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 9,060,313	$ 4,013,538	$ 13,073,851
Investments	4,186,407	507,998	4,694,405
Accounts receivable, net of allowance	3,329,544	219,207	3,548,751
Prepaid items	278,724	-	278,724
Total current assets	16,854,988	4,740,743	21,595,731
Noncurrent assets			
Restricted investments with trustee	28,509,450	-	28,509,450
Property, plant and equipment			
Land	100,255	-	100,255
Equipment	3,758,437	265,403	4,023,840
Buildings and improvements	903,239	-	903,239
Utility distribution	87,348,189	14,728,001	102,076,190
Construction in progress	1,798,641	1,930,608	3,729,249
Less accumulated depreciation	(37,736,618)	(8,351,507)	(46,088,125)
Property, plant and equipment, net	56,172,143	8,572,505	64,744,648
Total noncurrent assets	84,681,593	8,572,505	93,254,098
Total assets	101,536,581	13,313,248	114,849,829
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension and OPEB contributions	123,766	15,458	139,224
Deferred pension and OPEB change in assumptions	17,748	2,211	19,959
Deferred OPEB experience difference	2	-	2
Total deferred outflows of resources	141,516	17,669	159,185
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	1,589,136	138,004	1,727,140
Accrued interest	268,189	39,089	307,278
Customer deposits	1,130,394	-	1,130,394
Current portion compensated absences	78,200	9,897	88,097
Current portion of bonds payable	2,246,576	308,130	2,554,706
Total current liabilities	5,312,495	495,120	5,807,615
Noncurrent liabilities			
Net pension liability	933,097	116,637	1,049,734
Bonds payable	56,321,435	5,745,821	62,067,256
Compensated absences	156,399	19,795	176,194
Other post-employment benefits	2,663	-	2,663
Total noncurrent liabilities	57,413,594	5,882,253	63,295,847
Total liabilities	62,726,089	6,377,373	69,103,462
DEFERRED INFLOWS OF RESOURCES			
Deferred charges on refundings	1,951	-	1,951
Deferred pension and OPEB investment difference	75,175	9,397	84,572
Deferred pension and OPEB change in assumptions	41	-	41
Deferred pension and OPEB experience difference	47,901	5,892	53,793
Total deferred inflows of resources	125,068	15,289	140,357
NET POSITION			
Net investment in capital assets	33,759,338	5,389,674	39,149,012
Restricted for drainage improvements	-	6,691	6,691
Unrestricted	5,067,602	1,541,890	6,609,492
TOTAL NET POSITION	$ 38,826,940	$ 6,938,255	$ 45,765,195

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Revenues, Expenses and
Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2020

	Water and Sewer	Stormwater Utility	Total
OPERATING REVENUES			
Water sales	$ 14,446,353	$ -	$ 14,446,353
Charges for sewer services	8,656,588	-	8,656,588
Stormwater charges	-	1,670,008	1,670,008
Other	278,549	30,000	308,549
Total operating revenues	23,381,490	1,700,008	25,081,498
OPERATING EXPENSES			
Water supply and distribution	9,131,274	-	9,131,274
Wastewater collection and disposal	5,117,514	-	5,117,514
Billing and collection	1,108,377	433,228	1,541,605
Public services/engineering	917,768	-	917,768
Depreciation	2,040,592	314,404	2,354,996
Total operating expenses	18,315,525	747,632	19,063,157
OPERATING INCOME	5,065,965	952,376	6,018,341
NONOPERATING REVENUES (EXPENSES)			
Interest income	492,134	50,770	542,904
Gains (Loss) on sale of assets	(10,268)	-	(10,268)
Interest expense and fiscal agent charges	(1,623,899)	(225,515)	(1,849,414)
Total nonoperating revenues (expenses)	(1,142,033)	(174,745)	(1,316,778)
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	3,923,932	777,631	4,701,563
CAPITAL CONTRIBUTIONS	147,720	3,096	150,816
TRANSFERS IN	471,823	-	471,823
TRANSFERS OUT	(2,678,290)	(565,895)	(3,244,185)
CHANGE IN NET POSITION	1,865,185	214,832	2,080,017
NET POSITION, beginning of year	36,961,755	6,723,423	43,685,178
NET POSITION, end of year	$ 38,826,940	$ 6,938,255	$ 45,765,195

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2020

	Water and Sewer	Stormwater Utility	Total
OPERATING ACTIVITIES			
Receipts from customers and users	$ 23,876,903	$ 1,687,059	$ 25,563,962
Payments to suppliers	(15,247,431)	(384,725)	(15,632,156)
Payments to or on behalf of employees for services	(2,393,260)	(295,255)	(2,688,515)
Net cash provided by operating activities	6,236,212	1,007,079	7,243,291
NONCAPITAL FINANCING ACTIVITIES			
Transfers in	471,823	-	471,823
Transfers out	(2,678,290)	(565,895)	(3,244,185)
Net cash used in noncapital financing activities	(2,206,467)	(565,895)	(2,772,362)
CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital related debt	(65,000)	-	(65,000)
Principal paid on capital related debt	(2,100,000)	(285,000)	(2,385,000)
Interest and fiscal agent fees	(1,581,161)	(238,645)	(1,819,806)
Proceeds from sale of property	(10,268)	-	(10,268)
Acquisition and construction of capital assets	(2,091,361)	(1,320,200)	(3,411,561)
Net cash used in capital and related financing activities	(5,847,790)	(1,843,845)	(7,691,635)
INVESTING ACTIVITIES			
Purchase of investments	1,276,223	-	1,276,223
Proceeds from sale of investments	406,943	2,888	409,831
Interest on investments	492,134	50,770	542,904
Net cash provided by operating activities	2,175,300	53,658	2,228,958
NET INCREASE IN CASH AND CASH EQUIVALENTS	357,255	(1,349,003)	(991,748)
CASH AND CASH EQUIVALENTS, beginning of year	8,703,058	5,353,144	14,056,202
CASH AND CASH EQUIVALENTS, end of year	$ 9,060,313	$ 4,004,141	$ 13,064,454

The Notes to the Financial Statements are an integral part of this statement.

City of Bedford, Texas

Statement of Cash Flows – Proprietary Funds – Continued
Year Ended September 30, 2020

	Water and Sewer	Stormwater Utility	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	$ 5,065,965	$ 952,376	$ 6,018,341
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	2,040,592	314,404	2,354,996
Changes in			
Receivables	448,042	(12,949)	435,093
Prepaid items	(278,724)	-	(278,724)
Accounts payable and accrued liabilities	(982,109)	(237,094)	(1,219,203)
Pension & other post employment benefits	(118,382)	(8,843)	(127,225)
Compensated absences	13,457	(815)	12,642
Customer deposits	47,371	-	47,371
Net cash provided by operating activities	$ 6,236,212	$ 1,007,079	$ 7,243,291
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Contributions	$ 147,720	$ 3,096	$ 150,816

The Notes to the Financial Statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

The City of Bedford, Texas (City) Home Rule Charter was adopted September 24, 1966. The City operates under a Council/Manager form of government and provides the following services by its charter: public safety, public works, health, culture, recreation, community development, water and sewer utilities.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent assets and liabilities, and the reported revenues, expenditures and expenses. Actual results could vary from the estimates that are used.

Significant policies of the City are described below.

A. Financial Reporting Entity

Generally accepted accounting principles require that financial statements present the City (primary government) and its component units. Component units are organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The accompanying general purpose financial statements comply with the provisions of the GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34, in that the financial statements include all organizations, activities, functions and component units for which the City is financially accountable or those which would be misleading to exclude. In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. Based on these criteria, the following blended component unit is included in the accompanying financial statements. Blended component units, although legally separate entities are, in substance, part of the City's operations.

The City Street Improvement Economic Development Corporation (EDC) is governed by a seven-member board appointed by the City Council. Although it is legally separate from the City, the EDC is reported as if it were part of the primary government because its sole purpose is to operate, maintain, and finance the costs of the City's street improvements using taxes collected under Section 4B of the Development Corporation Act of 1979. Separate financial statements are not available.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

The primary effect of internal activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation on the government-wide statement of activities.

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The City reports the following major governmental funds:

- General Fund – is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund – is used to account for the accumulation of resources for the payment of general long-term obligations principal, interest and related costs.
- Economic Development 4B Fund – is used to account for revenues and expenses associated with the operation, maintenance and financing of the costs of the City's street improvements. The fund's primary revenue source is sales taxes, and a small amount of interest.
- Capital Projects Fund – is used to account for construction projects funded from major resources such as general obligation bonds, certificates of obligation, short-term obligations and operating funds for governmental purposes.

All proprietary funds account for operations that are primarily financed by user charges.

The City reports the following proprietary funds:

- Water and Sewer Fund – accounts for providing water and sewer services to residential and commercial users in the City.
- Stormwater Utility Fund – accounts for the storm drainage runoff service provided to the residential and commercial users of the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services (except for sanitation services), fines and forfeitures, rents, and concessions are recorded as revenues when received in cash because they are generally not measurable until actually received. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be all unrestricted cash and certificates of deposit with an original maturity date of three months or less.

E. Investments

Investments in debt securities and money market mutual funds are carried at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit are carried at cost.

Investments in external investment pools are carried at net asset value or amortized cost, as determined by each pool's individual investment valuation method and whether there is a readily determinable fair value of the pool as of the City's fiscal year end. In instances where pools transact at amortized cost, no readily determinable fair value is deemed available.

F. Receivables

Accounts receivable consist primarily of amounts due from citizens for various services provided by the City as well as property taxes and sales taxes receivable. Management evaluates the adequacy of the allowance for doubtful accounts based on a review of individual accounts. The primary factors considered in determining the amount of the allowance are collection history, the aging of the accounts and other specific information known to management that may affect collectability.

G. Inventories

Inventories in the general and proprietary fund types are carried at cost (first-in, first-out method). The City uses the consumption method for determining cost; inventories are recognized as expenditures when consumed.

H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure such as roads, bridges, drainage systems and lighting systems, are reported at historical cost. Contributed assets are recorded at their acquisition value as of the date received. Depreciation is recorded on each class of depreciable property utilizing the straight-line method over the estimated useful lives of the assets. Estimated useful lives of major categories of property are:

Buildings	20 – 40 years
Infrastructure	20 – 30 years
Water and sewer system	50 years
Improvements	10 – 20 years
Machinery and equipment	3 – 10 years

Interest expense is capitalized on contracts with durations over one-year in the proprietary funds. The minimum capitalization threshold is any item with a total cost greater than $5,000 and a useful life greater than one-year.

I. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service from the City.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay only if the compensated absences have matured with unused reimbursable leave outstanding following an employee's resignation or retirement. Vested or accumulated vacation leave within proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of such liabilities. For governmental activities, compensated absences are generally liquidated by the general fund.

J. Defined Benefit Pension Plans

For purposes of measuring the net pension liability, pension related deferred outflows of resources and deferred inflows of resources, and pension expense, City specific information about its fiduciary net position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's fiduciary net position have been determined on the same basis as reported by TMRS. For this purpose, plan contributions are recognized in the period compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's total pension liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net pension liabilities are generally liquidated by the general fund.

K. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the retiree health plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account. Fund allocation of related balances is determined by individual employee assignment. This assignment is uniform with regard to liquidation of the liability. For governmental activities, net OPEB liabilities are generally liquidated by the general fund.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources.

This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- *Deferred charges on refunding* – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- *Employer Contributions* – Pensions and OPEB – These contributions are those made after the measurement date through the fiscal year end (January 1st – September 30th) resulting in a cash outlay not yet recognized under GASB 68 and 75. This amount is deferred and recognized in the following fiscal year.
- *Experience difference* – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Assumption changes* – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category.

- *Experience difference* – Pensions and OPEB – These amounts represent the difference in expected and actual pension and OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.
- *Investment difference* – Pensions and OPEB – These amounts represent the difference in projected and actual earnings on pension and OPEB plan assets. These differences are deferred and amortized over a closed five-year period.
- *Assumption changes* – Pensions and OPEB – These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period.

- *Unavailable revenue* – These amounts represent uncollected property taxes, uncollected ambulance revenue and property assessments. These amounts are deferred in the fund's financial statements and recognized once payments are received in the following fiscal year(s).

Fund allocation of pension related balances is determined by individual employee assignment and is modeled by allocation of the net pension liability. This assignment is uniform with regard to liquidation of the net pension liability.

M. Interfund Transactions

During the course of normal City operations, transactions occur between funds, including reimbursement of expenditures and transfers of resources to provide services, construct assets and service debt. There is no interest charged between funds for these advances. Interfund transactions are eliminated upon consolidation in the government-wide financial statements unless the transaction is deemed to be at market or near market value and is reported as revenue, expenditure or expense.

N. Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, donors, grantors or laws or regulations of other governments.

The net position of the Tourism Development Fund and the Economic Development 4B Fund are restricted by enabling legislation as indicated on the statement of net position. The City's policy is to use restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

O. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Balances include items not expected to be converted to cash including inventories and prepaid items.
- *Restricted* – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council, the City's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- *Assigned* – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council.
- *Unassigned* – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

Net position restricted for other purposes represents restricted fund balances for miscellaneous donations and NETCO/Motorola Rebranding.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources, deferred inflows of resources and contingent assets and liabilities as of the balance sheet date and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Q. New Accounting Pronouncements

The GASB pronouncements effective in fiscal year 2020 and 2021 are listed as follows:

GASB Statement No. 84, Fiduciary Activities

- The objective of this Statement is to establish a standards of accounting and financial reporting for fiduciary activities. This standard becomes effective for the City in fiscal year 2021. The City has not yet determined the impact of this statement.

GASB Statement No. 90, Majority Equity Interests – an Amendment to GASB Statements No. 14 and No. 61.

- The primary objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. This standard will become effective for the City in fiscal year 2021. The City has not yet determined the impact of this statement.

R. Subsequent Events

The City's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended September 30, 2020 through February 3, 2021, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described below, that would require recognition or disclosure in the accompanying financial statements.

On November 6, 2020, the City issued $5,650,000 General Obligation Refunding Bonds, Series 2020, used to refund $5,480,000 of outstanding 2011 General Obligation Bonds and Certificates of Obligation.

Note 2. Deposits and Investments

The deposit and investment policies of the City are governed by State Statutes and the adopted City Investment Policy. City policies governing bank deposits require depositories to be insured by the Federal Deposit Insurance Corporation (FDIC). Financial institutions, and depositories must fully collateralize all deposits in excess of FDIC insurance limits.

Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agency securities, repurchase agreements and municipal pools. The City utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

Investments measured at fair value are categorized within the fair value hierarchy. Fair value refers to the price that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

The hierarchy provides a framework for measuring fair value based on three levels. The three level fair value hierarchy describes the inputs that are used to measure assets and liabilities.

Level 1	Quoted prices in active markets for identical assets or liabilities;
Level 2	Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
Level 3	Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The fair value hierarchy gives the highest priority to Level 1 and the lowest priority to level 3 inputs. If a price for an identical asset or liability is not observable a government should measure fair value using another valuation technique that maximizes the use of an asset inputs from more than one level of the fair value hierarchy. The measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The following table presents the weighted average maturity, credit rating, and fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2020:

September 30, 2020	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Weighted Average Maturity (Days)	Standard & Poor's Credit Rating
Investments by fair value level						
U.S. agency securities	$ 10,249,200	$ 10,249,200	$ -	$ -	350 days	AA+
Money market mutual funds	18,260,250	18,260,250	-	-	1 day	Aaa
Total investments by fair value level	28,509,450	$ 28,509,450	$ -	$ -		
Investments measured at net asset value						
TexSTAR	11,586,271				39 days	AAAm
TexasTERM	283,089				1 day	AAAm
Lone Star Investment Pool	10,386				40 days	Aaa
Texas CLASS	12,449,041				22 days	AAAm
	24,328,787					
Non-negotiable certificate of deposit	33,061,107				226 days	N/A
Total	$ 85,899,344					

Investment Pools and non-negotiable Certificates of Deposit are measured at net asset value (NAV) and are exempt from fair value reporting and therefore have been excluded from the hierarchy.

U.S. Government Agency Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The TexStar, TexasTerm, Lone Star and Texas CLASS are external investment pools measured at NAV. These investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pools. Each of these investment pools has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity. These investment pools are authorized by the Texas Legislature. The Texas Treasury Safekeeping Trust Company is the trustee and is a limited purpose trust company authorized pursuant to Texas Government Code.

Interest Rate Risk — In accordance with its investment policy, the City manages its exposure to declines in fair market values by investing operating funds primarily in short-term securities, money market mutual funds or similar investment pools. Furthermore, unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase.

Credit Risk — It is the City's policy to follow statutes, which authorize the City to invest in obligations of the U. S. Treasury agencies and instrumentalities, obligations of the state of Texas and related agencies, obligations of states, agencies, counties, cities and other political subdivisions of any state rated "A" or above by Standard & Poor's Corporation or Moody's, repurchase agreements and designated investment pools. The City's assets in investment pools meet this requirement as noted above.

Custodial Credit Risk — Investments — In accordance with its investment policy, the City minimizes custodial credit risk by limiting investments to the safest types of investment vehicles, prequalifying the financial institutions, brokers/dealers, intermediaries and advisors with which the City will do business and diversifying the investment portfolio so that potential losses on individual investments will be minimized. Currently, all investments are registered in the City's name.

Custodial Credit Risk — Deposits — The City's deposits do not have any exposure to credit risk because all deposits in financial institutions are fully collateralized by U.S. government obligations or obligations of the state of Texas and its agencies that have a value of not less than the principal amount of the deposits. The collateral is held by a third-party custodial bank as the City's agent.

Concentration of Credit Risk — The City limits investments to avoid concentration in securities from a specific issuer or business sector (where appropriate). As noted above, the City's investments are distributed into a variety of allowable investment vehicles. Management does not believe there is a significant risk of loss due to the credit rating and nature of the investments.

Following is a reconciliation of the City's deposit and investment balances at September 30, 2020 to the government-wide statement of net position:

	Balance at September 30, 2020
Investments	$ 85,899,344
Deposits and cash on hand	55,627,871
	$ 141,527,215

	Government-wide Statement of Net Position
Cash and cash equivalents	$ 79,956,658
Investments	33,061,107
Restricted Investments with Trustee	28,509,450
	$ 141,527,215

Note 3. Receivables and Governmental Funds Deferred Inflows

Receivables, including amounts due from other governments, as of September 30, 2020, for the City's individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds					Proprietary Funds		
	General	Debt Service	Economic Development	Capital Projects	Nonmajor Governmental	Water and Sewer	Stormwater Utility	Total
Receivables								
Taxes								
Delinquent property taxes	$ 248,627	$ 149,880	$ -	$ -	$ -	$ -	$ -	$ 398,507
Sales taxes	1,622,641	-	540,880	-	-	-	-	2,163,521
Franchise	717,160	-	-	-	-	-	-	717,160
Other	42,672	-	-	-	-	-	-	42,672
Accounts	442,195	-	27,774	-	116,549	3,533,751	219,207	4,339,476
Other	368,098	-	-	9,248	239,224	-	-	616,570
Gross receivables	3,441,393	149,880	568,654	9,248	355,773	3,533,751	219,207	8,277,906
Less allowance for uncollectibles	(42,415)	(26,867)	-	-	-	(204,207)	-	(273,489)
Net total receivables	$ 3,398,978	$ 123,013	$ 568,654	$ 9,248	$ 355,773	$ 3,329,544	$ 219,207	$ 8,004,417

Governmental funds report deferred inflows in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period.

At the end of the year, the various components of deferred inflows reported in the governmental funds were as follows:

	Unavailable
Delinquent property taxes receivable (General Fund)	$ 296,758
Delinquent property taxes receivable (Debt Service Fund)	167,856
Delinquent ambulance receivable (General Fund)	196,655
Other (General Fund)	7,819
Assessments (Nonmajor Governmental)	239,224
Total deferred inflows for governmental funds	$ 908,312

Note 4. Property Tax

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real property and personal business property located in the City. The assessed value upon which the fiscal 2020 levy was based was $4,702,581,724. The appraisal function is performed by the Tarrant County Appraisal District.

General property taxes are limited by the Texas Constitution to $2.50 per $100 of assessed valuation and by Home Rule Charter to $1.50 per $100 of assessed valuation for general governmental services and payment of principal and interest on long-term debt. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2020, was $0.569000 per $100 of assessed valuation.

Taxes are due by January 31 following the levy date. Current tax collection for the year ended September 30, 2020, was 99.8% of the tax levy.

Uncollected property taxes levied for the current fiscal year are recognized as receivables, and are deemed collectible in full.

Note 5. Interfund Transfers

Interfund transfers are payments between funds that are designed to cover various operating and overhead expenses and to allocate charges for services performed by one fund on behalf of another fund.

Individual fund transfers for the year ended September 30, 2020, were:

	Transfer In			
	General	Nonmajor Governmental	Water and Sewer	Total
Transfers out				
General Fund	$ -	$ 15,000	$ -	$ 15,000
Economic Development 4B	-	-	250,000	250,000
Nonmajor Governmental	126,915	-	-	126,915
Water and Sewer	2,678,290	-	-	2,678,290
Stormwater Utility	344,072	-	221,823	565,895
Total transfers out	$ 3,149,277	$ 15,000	$ 471,823	$ 3,636,100

Note 6. Interfund Assets/Liabilities

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. As of September 30, 2020 interfund balances outstanding was between the General Fund and a Nonmajor Governmental Fund as follows:

	Due From	
	Nonmajor Governmental	Total
Due To		
General Fund	$ 4,411	$ 4,411
Total	$ 4,411	$ 4,411

The due to the General Fund from the Various Grants Fund is the result of the General Fund funding purchases prior to the receipt of grant funding.

Note 7. Capital Assets

The following tables summarize changes in capital assets during the year ended September 30, 2020:

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Governmental Activities					
Capital assets, not being depreciated					
Land	$ 10,466,333	$ -	$ -	$ -	$ 10,466,333
Construction in progress	1,802,020	3,724,926	-	-	5,526,946
Total assets not being depreciated	12,268,353	3,724,926	-	-	15,993,279
Capital assets, being depreciated					
Buildings and improvements	25,773,834	120,829	-	-	25,894,663
Equipment	32,147,535	2,498,716	(2,140,510)	-	32,505,741
Improvements other than buildings	132,308,541	606,075	-	-	132,914,616
Total capital assets being depreciated	190,229,910	3,225,620	(2,140,510)	-	191,315,020
Less accumulated depreciation					
Buildings and improvements	(14,985,863)	(692,017)	-	-	(15,677,880)
Equipment	(29,195,350)	(1,444,958)	2,126,353	-	(28,513,955)
Improvements other than buildings	(120,263,723)	(1,512,923)	-	-	(121,776,646)
Total accumulated depreciation	(164,444,936)	(3,649,898)	2,126,353	-	(165,968,481)
Total capital assets being depreciated, net	25,784,974	(424,278)	(14,157)	-	25,346,539
Governmental activities capital assets, net	$ 38,053,327	$ 3,300,648	$ (14,157)	$ -	$ 41,339,818
Business-type Activities					
Capital assets, not being depreciated					
Land	$ 100,255	$ -	$ -	$ -	$ 100,255
Construction in progress	2,098,492	2,983,078	-	(1,352,321)	3,729,249
Total assets not being depreciated	2,198,747	2,983,078	-	(1,352,321)	3,829,504
Capital assets, being depreciated					
Buildings and improvements	675,277	227,962	-	-	903,239
Equipment	4,056,220	209,671	(242,051)	-	4,023,840
Utility distributions	100,582,203	141,666	-	1,352,321	102,076,190
Total capital assets being depreciated	105,313,700	579,299	(242,051)	1,352,321	107,003,269
Less accumulated depreciation					
Buildings and improvements	(556,900)	(4,261)	-	-	(561,161)
Equipment	(3,817,807)	(127,581)	242,051	-	(3,703,337)
Utility distributions	(39,600,473)	(2,223,154)	-	-	(41,823,627)
Total accumulated depreciation	(43,975,180)	(2,354,996)	242,051	-	(46,088,125)
Total capital assets being depreciated, net	61,338,520	(1,775,697)	-	1,352,321	60,915,144
Business-type activities capital assets, net	$ 63,537,267	$ 1,207,381	$ -	$ -	$ 64,744,648

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities		
General government	$	146,334
Community services		119,831
Public services		1,137,395
Public safety		1,122,591
Leisure services		1,068,348
Administrative services		55,399
Total depreciation expense – governmental activities	$	3,649,898
Business-type Activities		
Water and sewer	$	2,040,592
Stormwater collection and disposal		314,404
Total depreciation expense – business-type activities	$	2,354,996

Note 8. Long-term Liabilities

The following is a summary of the long-term liabilities of the City for the year ended September 30, 2020:

	Beginning Balance	Additions Net of Refunding	Retirements	Ending Balance	Amounts Due Within One-Year
Governmental Activities					
General Bonds/Certificates/Tax notes	$ 71,250,000	$ 9,650,000	$ (4,605,000)	$ 76,295,000	$ 4,565,000
Premium on debt	2,977,660	501,721	(284,539)	3,194,842	227,909
Capital lease	265,288	-	(220,799)	44,489	44,489
Compensated absences	4,075,133	2,724,357	(2,575,330)	4,224,160	1,408,053
Net pension liability	12,523,119	-	(1,909,141)	10,613,978	-
Other post-employment benefits	2,512,568	-	(1,183,744)	1,328,824	-
Governmental activities long-term liabilities	$ 93,603,768	$ 12,876,078	$ (10,778,553)	$ 95,701,293	$ 6,245,451
Business-type Activities					
General Obligation Bonds	$ 8,305,000	$ 1,325,000	$ (650,000)	$ 8,980,000	$ 675,000
Certificates of obligation	58,165,000	(1,390,000)	(1,735,000)	55,040,000	1,815,000
Premiums on debt	572,354	85,739	(56,131)	601,962	64,706
Compensated absences	251,649	250,625	(237,983)	264,291	88,097
Net pension liability	1,391,458	-	(341,724)	1,049,734	-
Other post-employment benefits	5,035	-	(2,372)	2,663	-
Business-type activities long-term liabilities	$ 68,690,496	$ 271,364	$ (3,023,210)	$ 65,938,650	$ 2,642,803

In October 2019, the City issued $5,490,000 Taxable General Obligation Bonds, Series 2019. These obligations have biannual payments in February and August with an interest rate ranging from 2.0 to 5.0%, and maturities dates from February 1, 2030 and February 1, 2039. Proceeds from this issuance are for capital outlay.

In October 2019, the City issued $8,815,000 General Obligation Bonds (Refunding), Series 2019 used to refund $4,720,000 of outstanding Series 2010 General Obligation Bonds and Certificates of Obligation. An amount of $4,751,673 was placed in an irrevocable trust to provide for future debt service payments relating to the defeased bonds and the remaining proceeds were used to fund various capital projects.

Accordingly, the trust assets and liabilities for the defeased bonds are not included in the City's financial statements. The aggregate difference in debt service between the refunding debt and the refunded debt is a savings of $592,190 which is a net present value economic gain of $534,343. The old debt exceeds the net carrying amount of the reacquisition price by $31,673.

Governmental long-term debt consists of the following individual issues at September 30, 2020:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation Bonds			
Series 2011 General Obligation Refunding and Improvement Bonds	8,185,000	2.0% – 4.375%	950,000
Series 2013 General Obligation Refunding and Improvement Bonds	5,375,000	2.0% – 4.0%	2,500,000
Series 2014 General Obligation Bonds	3,200,000	2.0% – 4.0%	2,495,000
Series 2018 General Obligation Bonds	57,540,000	3.125% - 5.0%	53,865,000
Series 2019 General Obligation Bonds, Taxable	5,490,000	2.35% - 3.0%	5,105,000
Series 2019 General Obligation Refunding and Improvement Bonds	7,490,000	2.0% - 3.0%	7,040,000
Certificates of Obligation			
Series 2011 General Tax and Revenue Certificates of Obligation	6,590,000	2.0% – 4.375%	860,000
Contractual Obligations			
Series 2014 Public Property Finance Contractual Obligations	2,300,000	1.0% – 2.5%	980,000
Tax Notes			
Series 2016 Tax Notes	1,105,000	1.30%	225,000
Series 2019 Tax Notes	2,750,000	3.0% - 5.0%	2,275,000
Total General Obligation, Certificates of Obligation Contractual Bonds, and Tax Notes			$ 76,295,000

Business-type long-term debt consists of the following individual issues at September 30, 2020:

Series	Original Issue	Interest Rate	Debt Outstanding
General Obligation Bonds			
Series 2011 General Obligation Refunding and Improvement Bonds	$ 8,185,000	2.0% – 4.375%	$ 2,010,000
Series 2018 General Obligation Refunding and Improvement Bonds	6,380,000	3.125% - 5.0%	5,750,000
Series 2019 General Obligation Refunding and Improvement Bonds	1,325,000	2.0% - 3.0%	1,220,000
Certificates of Obligation			
Series 2011 Combination Tax and Revenue Certificates of Obligation	6,590,000	2.0% – 4.375%	2,625,000
Series 2012 Combination Tax and Revenue Certificates of Obligation	630,000	0.09% – 1.4%	390,000
Series 2012A Combination Tax and Revenue Certificates of Obligation	4,270,000	1.0% – 2.75%	2,840,000
Series 2015 Combination Tax and Revenue Certificates of Obligation	30,000,000	0.22% – 3.210%	26,720,000
Series 2017 Combination Tax and Revenue Certificates of Obligation	20,000,000	0.69% - 3.0%	18,585,000
Series 2019 Combination Tax and Revenue Certificates of Obligation	3,990,000	2.0% - 4.0%	3,880,000
Total General Obligation and Certificates of Obligation			$ 64,020,000

Capital leases entered into prior to fiscal year 2020 totaled $785,249. Capital leases are classified as equipment, and have an amortized value of approximately $244,956 at September 30, 2020. Capital lease amortization expense has been included in depreciation expense for the year ended September 30, 2020.

The annual debt service requirement to amortize the bonds, certificates of obligation and capital lease obligations outstanding at September 30, 2020, are as follows:

Governmental Activities:

Year Ending September 30,	Bonded Debt Obligations	Capital Lease	Interest	Total
2021	$ 4,565,000	$ 44,489	$ 2,746,469	$ 7,355,958
2022	4,585,000	-	2,571,985	7,156,985
2023	4,255,000	-	2,396,748	6,651,748
2024	4,435,000	-	2,221,535	6,656,535
2025	3,475,000	-	2,054,810	5,529,810
2026-2030	19,915,000	-	7,771,684	27,686,684
2031-2035	20,985,000	-	4,093,590	25,078,590
2036-2039	14,080,000	-	755,825	14,835,825
	$ 76,295,000	$ 44,489	$ 24,612,646	$ 100,952,135

Business-type Activities:

Year Ending September 30,	Debt Obligations	Interest	Total
2021	$ 2,490,000	$ 1,823,815	$ 4,313,815
2022	2,585,000	1,768,073	4,353,073
2023	2,645,000	1,705,510	4,350,510
2024	2,745,000	1,636,209	4,381,209
2025	2,840,000	1,561,525	4,401,525
2026-2030	14,075,000	6,594,987	20,669,987
2031-2035	11,740,000	4,761,768	16,501,768
2036-2040	11,610,000	3,079,361	14,689,361
2041-2045	11,390,000	1,376,842	12,766,842
2046-2047	1,900,000	85,950	1,985,950
	$ 64,020,000	$ 24,394,039	$ 88,414,039

Note 9. Retirement Plan

A. Plan Description

The City participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5 years
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20
Updated service credit	0%
Annuity increase (to retirees)	0% of CPI

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	80
Inactive employees entitled to but not yet receiving benefits	174
Active employees	339
Total	593

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City are required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 9.02% and 9.02% in calendar years 2019 and 2020, respectively. The city's contributions to TMRS for the year ended September 30, 2020, were $2,121,266 and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:
The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a four-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. For determining the amount of the monthly benefit at the time of retirement for both healthy and disabled annuitants, the APRs until 2027 are based on the study performed in 2013, with the factors phasing into being based on a unisex blend of the RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment for males and females with both male and female rates multiplied by 107.5% and projected on a fully generational basis with scale BB. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	$ 39,124,253	$ 25,209,676	$ 13,914,577
Changes for the year			
Service cost	2,948,845	-	2,948,845
Interest on total pension liability	2,705,647	-	2,705,647
Effect of difference in expected and actual experience	(195,552)	-	(195,552)
Effect of assumptions changes or inputs	(65,423)	-	(65,423)
Benefit payments	(1,030,024)	(1,030,024)	-
Administrative expenses	-	(22,022)	22,022
Employer contributions	-	2,111,935	(2,111,935)
Net investment income	-	3,915,583	(3,915,583)
Employee contributions	-	1,639,548	(1,639,548)
Other	-	(662)	662
Net changes	4,363,493	6,614,358	(2,250,865)
Balances at December 31, 2019	$ 43,487,746	$ 31,824,034	$ 11,663,712

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Single Rate Assumption (6.75%)	1% Increase (7.75%)
City's net pension liability	$ 18,042,476	$ 11,663,712	$ 6,334,301

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020, the City recognized pension expense of $2,175,813.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (589,158)
Difference in assumptions changes	221,144	-
Difference between projected and actual earnings on pension plan investments	-	(939,667)
Contributions subsequent to the measurement date	1,545,781	-
Total	$ 1,766,925	$ (1,528,825)

$1,545,781 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2019 (i.e., recognized in fiscal year ending September 30, 2021).

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Net Deferred Outflows (Inflows) of Resources
2020	$ (316,042)
2021	(315,352)
2022	(60,350)
2023	(518,995)
2024	(73,219)
Thereafter	(23,723)
Total	$ (1,307,681)

Note 10. Post-employment Health Care Plan

A. Plan Description and Funding Policy

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Since an irrevocable trust has not been established, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

Starting January 1, 2010, the City began requiring participants who are active employees with less than 20 years of service or 60 years or more of age with less than 5 years of service to contribute an age-based full-cost premium if they choose to remain on the City's health care plan upon retirement. In return, the City will make scheduled annual contributions into a retiree health savings plan in the name of each eligible employee who has 10 years of service or more. Employees are 50% vested at 20 years of service and 100% vested at 30 years of service.

Retiring employees will pay either age-based or blended premiums depending on their status as "grandfathered" or "non-grandfathered." Blended premiums blend the cost of providing health coverage to both active employees and retirees, and will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

B. Grandfathered Employees and Non-Grandfathered Employees

As of January 1, 2010, employees that have 20 years of continuous service with the City or employees having 5 years of continuous service and have reached the age of 60 will be eligible to purchase City health benefits at blended rates upon the date of their retirement if they are less than age 65. Employees who meet the requirements to stay on the plan will continue to pay both employee and employer required contributions for the retiree health plan chosen for themselves and eligible dependents. Employer and employee required contributions are determined annually by plan as part of the City's annual budget. If the spouse or eligible dependents are on the plan at the time of the employee's retirement, they can remain on the plan, until which time they are no longer eligible.

Employees who do not meet the eligibility requirements to stay on the plan will pay age-based premiums for the retiree health plan chosen for themselves and eligible dependents. These employees will participate in the City's retiree health savings plan.

C. Benefits Provided

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage an employee must qualify under all three of the following:

- The retiree must have been covered for medical benefits under the City health plan as an employee immediately prior to termination of employment.
- Apply for pension benefits from TMRS in accordance with their requirements and deadlines, but in no event later than 90 days from termination of employment.
- Enroll for retiree health coverage within 30 days of the date of termination. Annual Funding Policy

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees currently receiving benefits	29
Inactive employees entitled to but not yet receiving benefits	-
Active employees	15
Total	44

D. Policy Information

Retiree Health Plan Benefit Eligibility
To be eligible for retiree health benefits, employees must meet the following criteria:

- Any employee who is covered under the City's health plan at the effective date of (the employee's) retirement, who is less than age 65, and who meets the "retiree" definition (as described below) may elect to continue health insurance coverage under the plan.
- Employees who are eligible and elect to stay on the plan will be required to begin paying monthly premiums immediately upon retirement.
- Employees eligible for retiree health insurance may also continue coverage for any dependents following the employee's retirement, provided the dependents were covered under the employee's health insurance as of the effective date of the employee's retirement and the appropriate enrollment forms are completed within 30 days of retirement. Anyone electing this coverage must meet all of the eligibility rules of the plan.

NOTE: When a covered retiree's spouse is employed at the time the City of Bedford employee retires, an exception to this policy may be made. The spouse may elect coverage under the City's health plan if the spouse's employment ends or the spouse's employer discontinues coverage.

- Dependents who are covered under the retiree's health insurance at the time of the retiree's death may continue coverage as follows: (a) the spouse may continue coverage following the death of the retiree until such time as the spouse remarries, dies or reaches age 65 (b) any other eligible dependent(s), as defined by the City's self-funded plan, may continue to be covered under retiree health insurance as long as all eligibility requirements of the City's plan are met.

Retiree Health Plan Benefit Coverage

Retirees are able to maintain retiree coverage through the City until they reach age 65 (see section below). Retirees cannot drop the City's plan and re-elect retiree benefits at a later date unless they become re-employed by the City. If this is the case, they must re-enroll into the City's retiree insurance program within 30 days of the termination from the City's re-employment.

- Retirees are able to choose from and elect the same plans offered to active employees during open enrollment each year until they reach age 65.
- Retirees who decide to elect the City's retiree health benefits will pay either age based on blended premiums depending on their status as "grandfathered" or "non-grandfathered."
- Blended premiums blend the cost of providing health coverage to both active employees and retirees, will be based on the total employer/employee premium for the health plan as a whole, and will be determined annually during the budget process.

Retirees Age 65 or Older

Effective January 1, 2010, retirees who are Medicare eligible or age 65 or older will have access to a more cost effective and comparable Medicare Supplement or Medicare Advantage Plan and will no longer have access to the City's health plan. Retirees will continue to have access to the City's dental plan.

- Retirees who choose to obtain coverage elsewhere may later elect one of the City's Medicare Supplement or Medicare Advantage plans when they become eligible for Medicare.
- Retirees' dependents who are under 65 years of age will be able to maintain coverage through the City's health plan. Once a dependent reaches age 65, the dependent will no longer be able to access the City's health plan, but will be able to select either the Medicare Supplement or Medicare Advantage Plan which is less expensive than the current retiree premiums and is comparable to or offers a richer benefit than the City's health plan.
- If the employee is 65 years of age or older, but is not Medicare eligible, the City will evaluate the cost of Medicare Part A premiums each year and determine whether the City will reimburse the employee for the purchase of Medicare Part A (on behalf of the retiree or whether to allow the retiree to pay the premium to stay on the City's health plan). Retirees in this situation will be notified of this determination at the end of each year for the following plan year.

E. Applicability

This policy applies to all regular full-time employees.

F. Definitions

Retiree — is defined as an employee who has effected retirement with the City and is eligible to retire according to the City's pension plan guidelines.

G. Policy Authority

The City Council authorizes this policy. The City's management team and Human Resources are responsible for interpreting and enforcing this policy.

H. Implementation Procedures

Employees eligible for retiree health insurance will be given written notification from Human Resources explaining their eligibility to elect retiree health insurance, the applicable premium rates for the type of coverage(s) they are eligible to continue and the procedures the employee must follow in order to elect retiree health insurance. They will also be given an election form on which to make their health insurance elections.

Employees eligible for retiree health insurance must complete the retiree health insurance election foul' and remit the appropriate premium payment as outlined in the retiree medical information packet within 30 days following the effective date of the employee's retirement; otherwise, the retiree will automatically forfeit his/her right to continue health insurance under this policy, except as provided by federal law.

Retirees who are not age 65 and who are eligible for and elect retiree coverage through the City will receive notification from the City's Human Resources Department of the discontinuation of their retiree coverage along with enrollment information for the Medicare Supplement and Medicare Advantage plans upon turning age 65.

Termination of Retiree Health Plan Coverage

Retiree health insurance will automatically terminate for the retiree and/or covered dependents upon the earliest of the following occurrences:

- The City ceases to provide group health insurance.
- Retiree/retiree's dependent(s) fail to remit the monthly premium payment to the City's Human Resources Department by the last day of each month.
- The retiree returns to active employment status with the City and becomes covered under a City sponsored health plan.
- Dependent(s) of the retiree cease to meet the eligibility requirements of the City's medical plan.

I. Net OPEB Liability

Valuation of Assets
For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Actuarial Assumptions
The OPEB Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	2.75%
Retirees share of benefit-related costs	$0

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2019, actuarial valuation, the Individual Entry-Age Normal Actuarial Cost method was used. The actuarial assumptions included a 6.5% investment rate of return (net of administrative expenses) and an annual health care cost trend rate of 7.0% initially, reduced by decrements to an ultimate rate of 4.15% after a number of years. Both rates include a 2.50% inflation assumption. The actuarial value of the plan's assets was set equal to the reported market value of assets. The assets are allocated among the divisions based on liabilities valued at 4.5%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

Discount Rate
Because the Retiree Healthcare Plan is considered an unfunded trust under GASB Statement No. 75, the relevant discount rate for calculating the Total OPEB Liability is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

Changes in the OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2018	$ 2,553,350	$ 35,747	$ 2,517,603
Changes for the year:			
Service cost	20,196	-	20,196
Interest	93,755	-	93,755
Effect of plan changes	-	-	-
Effect of economic/demographic	-	-	-
gains or losses	-	-	-
Effect of difference in expected	-	-	-
and actual experience	(1,317,943)	-	(1,317,943)
Effect of assumptions changes or inputs	95,681	-	95,681
Employer contributions	-	72,714	(72,714)
Net investment income	-	5,091	(5,091)
Benefit payments	(72,714)	(72,714)	-
Administrative expense	-	-	-
Net changes	(1,181,025)	5,091	(1,186,116)
Balance at December 31, 2019	$ 1,372,325	$ 40,838	$ 1,331,487

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability of the City, calculated using the discount rate of 2.75%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (1.75%) or one-percentage-higher (3.75%) than the current rate:

	1% Decrease (1.75%)	Current Discount Rate (2.75%)	1% Increase (3.75%)
Total OPEB liability	$ 1,517,753	$ 1,331,487	$1,177,960

Sensitivity of the OPEB Liability to Healthcare Cost Trends

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	$ 1,180,928	$ 1,331,487	$1,512,589

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended September 30, 2020, the City recognized OPEB benefit of ($780,917).

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience, liability	$ 935	$ (384,357)
Changes in assumptions and other inputs	27,904	(20,714)
Net difference between projected and actual earnings, assets	-	(144)
Contributions made subsequent to measurement date	51,824	-
Total	$ 80,663	$ (405,215)

$51,824 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 31, 2020 (i.e. recognized in fiscal year ending September 30, 2021). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Years Ending September 30,	Net Deferred Outfows (Inflows) of Resources
2021	$ (376,153)
2022	79
2023	253
2024	(555)
2025	-
Thereafter	-
Total	$ (376,376)

Note 11. Tax Abatements and Economic Incentive Agreements

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of Bedford. This program rebates property and sales and use taxes and is authorized under Chapter 380 of the Texas Local Government Code. The various agreements are detailed below that rebate a percentage of property and/or sales and use taxes.

Agreements for rebate of property taxes generally call for rebates of taxes on incremental values for usually up to 10 years. The agreements for sales and use taxes provides for a rebate of 50% to 100% of the City 2% taxes on incremental values for usually up to 10 years, with the maximum being 12 years. For fiscal year 2020, the City rebated property taxes of $107,212, or 0.4% of the total levy of $24.6 million. Sales and use taxes rebated totaled $194,006 or 2.5% of the General Fund collections of $8.9 million.

A. Retail Development Agreements

In order to promote economic development and diversity, increase employment, reduce unemployment and underemployment, expand commerce, and stimulate business and commercial activity in the State of Texas, Tarrant County, and the City of Bedford, Texas, the City, agreed to pay sales tax grants to certain developers. These grants require the construction or improvement of a minimum square feet of retail space and obtaining certificates of occupancy for certain major retailers within a specified time period, all of which have been met during the 2020 fiscal year.

An agreement was executed in January 2016 with Movie Tavern. The agreement includes a rebate of 75% of the City's sales tax of 2% for a period of ten years. The City recorded a liability for the $12,004 incurred in the current year of the agreement.

An agreement was executed in November 2012 with Cheddar's Casual Café. The agreement includes a rebate of 100% of the City's sales tax of 1% and 100% of the City's incremental property tax for a period of ten years. The City recorded a liability for the $164,117 incurred in the current year of the agreement.

An agreement was executed in March 2013 with Chilis's Brinker Texas. The agreement includes a rebate of 50% of the City's sales tax of 2% for a period of seven years. The City recorded a liability for the $29,252 incurred in the current year of the agreement. The City paid $27,815 during the current year of the grant.

An agreement was executed in January 2013 with Twisted Root Burger. The agreement includes rebates of 100% (years 1-3), 80% (years 4-7) and 60% (years 8-10) of the City's sales tax of 2% and 100% of the incremental property taxes on improvements for a period of ten years. The City recorded a liability for the $3,723 incurred in the current year of the agreement. The City paid $20,367 during the current year of the grant.

An agreement was executed in April 2014 with Mexican Inn. The agreement includes a rebate of 50% of the City's sales tax of 2% and 100% of the City's incremental property tax for a period of six years. The City recorded a liability for the $16,639 incurred in the current year of the agreement.

An agreement was executed in December 2014 with Texas Harley-Davidson. The agreement includes a rebate of 80% (years 1-3), 60% (years 4-7) and 40% (years 8-10) of the City's sales tax of 1% and 80% of the City's incremental property tax for a period of ten years. The City recorded a liability for the $49,718 incurred in the current year of the agreement. The City paid $227,507 during the current year of the agreement.

An agreement was executed in December 2016 with Chipotle. The agreement includes a rebate of 25% of the City's sales tax of 2% for a period of twelve years. The City recorded a liability for the $6,390 incurred in the current year of the agreement. The City paid $9,743 during the current year of the grant.

An agreement was executed in May 2017 with American Motorcycle. The agreement includes a rebate of 100% of the City's sales tax of 1% and 100% of the City's incremental property tax for a period of ten years. The City recorded a liability for the $9,357 incurred in the current year of the agreement. The City paid $2,747 during the current year of the grant.

An agreement was executed in August 2010 with State National. This agreement includes a rebate of 59% of the City's incremental property taxes on improvements for 10 years. The City paid $13,039 during the current year of the grant.

Note 12. Commitments and Contingencies

A. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Risk Pool) to provide insurance for workers' compensation benefits, liability and property coverage.

At September 30, 2020, the Risk Pool was self-sustaining based on premiums charged, so that total contributions plus compounded earnings on these contributions will be sufficient to satisfy claims and liabilities and other expenses. Premiums are assessed based on the rates set by the Texas State Board of Insurance and may be adjusted, on an annual basis, by the Risk Pool's Board of Trustees for each participating political subdivision's experience. The City is not liable for payments beyond the annual contributions.

The Risk Pool has purchased stop-loss coverage to protect the assets of the pool from catastrophic losses. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years, and there have been no significant reductions in insurance coverage during the current year.

B. Trinity River Authority of Texas

In 1972, the City entered into a contract with the Trinity River Authority (TRA) for the purchase of water. The contract shall remain in effect until all bonds, including refunding bonds, have been paid.

Under the terms of the contract, the City is obligated to pay its proportional share of operating and maintenance expenses and debt service charges by the TRA based on the ratio of estimated water usage for the ensuing year to the total estimated water usage. Total purchases during fiscal year 2020 were $8,368,762.

In 1973, the City entered into a 50-year contract with the TRA for the transportation, treatment, and disposal of sanitary sewage actually discharged and to share in the cost of operation and maintenance of the system. Total payments of $4,824,275 were made in fiscal year 2020. Additionally, $398,500 was spent with the City of Hurst for the transportation, treatment and disposal of sanitary sewage as well.

C. Litigation

Various claims and lawsuits are pending against the City. In the opinion of the City's legal counsel and management, the potential loss on all claims after insurance will not be significant to the City's financial statements.

D. State and Federal Programs

The City has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the City, disallowed costs, if any, should not be material.

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Required Supplementary Information

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City of Bedford, Texas

Schedule of Changes in the City's Net Pension Liability and Related Ratios
Texas Municipal Retirement System
Last Six Measurement Years

	Year Ended December 31					
	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY						
Service cost	2,948,845	2,996,009	2,703,744	$ 2,676,451	$ 2,515,193	$ 1,588,982
Interest (on the Total Pension Liability)	2,705,647	2,410,946	2,139,669	1,866,228	1,643,314	1,439,551
Changes of benefit terms	-	-	-	-	-	1,308,563
Changes in assumptions	(65,423)	-	-	-	711,649	-
Difference between expected and actual experience	(195,552)	(131,459)	(246,817)	77,844	(368,820)	(233,110)
Benefit payments, including refunds of employee contributions	(1,030,024)	(741,916)	(705,692)	(460,701)	(359,420)	(335,835)
Net change in total pension liability	4,363,493	4,533,580	3,890,904	4,159,822	4,141,916	3,768,151
Total pension liability - beginning	39,124,253	34,590,673	30,699,769	26,539,947	22,398,031	18,629,880
Total pension liability - ending (a)	43,487,746	39,124,253	34,590,673	30,699,769	26,539,947	22,398,031
PLAN FIDICIARY NET POSITION						
Contributions - employer	2,111,935	2,137,293	1,919,893	1,705,987	1,611,071	1,032,810
Contributions - employee	1,639,548	1,660,496	1,503,273	1,489,019	1,387,526	972,517
Net investment income	3,915,583	(687,085)	2,458,477	949,763	16,795	525,939
Benefit payments, including refunds of employee contributions	(1,030,024)	(741,916)	(705,692)	(460,701)	(359,420)	(335,835)
Administrative expense	(22,022)	(13,231)	(12,708)	(10,700)	(10,223)	(5,486)
Other	(662)	(691)	(643)	(577)	(505)	(451)
Net change in plan fiduciary net position	6,614,358	2,354,866	5,162,600	3,672,791	2,645,244	2,189,494
Plan fiduciary net position - beginning	25,209,676	22,854,810	17,692,210	14,019,419	11,374,175	9,184,681
Plan fiduciary net position - ending (b)	31,824,034	25,209,676	22,854,810	17,692,210	14,019,419	11,374,175
NET PENSION LIABILITY - ending (a) - (b)	$11,663,712	$13,914,577	$11,735,863	$13,007,559	$12,520,528	$11,023,856
Plan fiduciary net position as a percentage of total pension liability	73.18%	64.43%	66.07%	57.63%	52.82%	50.78%
Covered payroll	$23,422,120	$23,721,371	$21,475,333	$21,258,547	$21,351,384	$19,450,346
City's net pension liability as a percentage of covered payroll	49.80%	58.66%	54.65%	61.19%	58.64%	56.68%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions

City of Bedford, Texas

Schedule of City Contributions
Texas Municipal Retirement System
Last Six Fiscal Years

	Year Ended September 30					
	2020	**2019**	**2018**	**2017**	**2016**	**2015**
Actuarially determined contribution	$ 2,121,266	$ 2,118,005	$ 2,035,140	$ 1,924,529	$ 1,680,982	$ 1,399,303
Contributions in relation to the actuarially determined contribution	2,121,266	2,118,005	2,035,140	1,924,529	1,680,982	1,399,303
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 21,488,577	$ 23,488,350	$ 22,630,160	$ 22,147,313	$ 22,649,265	$ 23,602,275
Contributions as a percentage of covered payroll	9.87%	9.02%	8.99%	8.69%	7.42%	5.93%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions

City of Bedford, Texas

Notes to the Schedule of City Contributions
Last Six Fiscal Years

Valuation Date: December 31, 2019
Actuarial determined contribution rates are calculated as of December 31st, each year and become effective in January, 13 months and a day later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 – 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information:	There were no benefit changes during the year.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

City of Bedford, Texas

Schedule of Changes in the City's Other Post-Employment Benefits Liabilities and Related Ratios – Retiree Healthcare Plan
Last Three Measurement Years

	Year Ended December 31		
	2019	2018	2017
Total OPEB liability			
Service cost	$ 20,196	$ 33,282	$ 28,394
Interest	93,755	86,615	91,716
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(1,317,943)	5,923	-
Change in assumptions	95,681	(131,216)	164,339
Employer contributions	(72,714)	(82,737)	(72,029)
Net investment income	(5,091)	1,599	(3,092)
Benefit payments	-	-	-
Net changes	(1,186,116)	(86,534)	209,328
Total OPEB liability - beginning	2,517,603	2,604,137	2,394,809
Total OPEB liability - ending	$ 1,331,487	$ 2,517,603	$ 2,604,137
Plan fiduciary net position as a percentage of total OPEB liability	1.30%	1.40%	1.41%
Covered employee payroll	$ 1,638,064	$ 2,024,772	$ 1,995,448
Total OPEB liability as a percentage of covered employee payroll	81.28%	124.34%	130.50%

The information in this schedule has been determined as of the measurement date (December 31) of the City's OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

City of Bedford, Texas

Schedule of Contributions – Retiree Healthcare Plan

Last Three Fiscal Years

	Year Ended September 30		
	2020	2019	2018
Actuarially determined contribution	$ 71,491	$ 70,556	$ -
Contributions in relation to the actuarially determined contribution	71,491	70,556	-
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 1,408,191	$ 1,704,133	$ 2,105,853
Contributions as a percentage of covered payroll	5.08%	4.14%	0.00%

The information in this schedule has been determined as of the measurement date (December 31) of the City's OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

See Notes to the Schedule of City Contributions – Retiree Health Care Plan

City of Bedford, Texas

Notes to the Schedule of Contributions – Retiree Healthcare Plan
Last Three Fiscal Years

Valuation Date: December 31, 2019

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.50%
Salary Increases	3.50% to 11.5% including inflation
Discount Rate	2.75%
Retirees' share of benefit-related cost	$0
Demographic Assumptions	Based on the experience sudy covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Particpation Rates	Before age 65, participation rates vary from 30% to 70% based on years of City service. For the plan participants that are expected to not qualify for Medicare, 40% of current pre-65 retirees and 25% of current active employees were assumed to participate in the City's plan after
Healthcare cost trend rates	Initial rates of 7.0% declining to ultimate rates of 4.15% after 15 years; Ultimate trend rate includes a 1.25% adjustment for the excise tax.
Notes:	The discount rate changes from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019.

City of Bedford, Texas

Budgetary Comparison Schedule General Fund
Year Ended September 30, 2020

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
REVENUES				
Taxes, penalty and interest	28,725,240	$ 28,725,240	$ 28,893,478	$ 168,238
Licenses, permits, and fees	843,750	843,750	1,030,639	186,889
Charges for services	2,878,950	2,878,950	2,425,942	(453,008)
Fines and forfeits	1,572,500	1,572,500	993,581	(578,919)
Support from other governmental entities	349,577	349,577	341,694	(7,883)
Interest	195,000	195,000	195,069	69
Miscellaneous	195,650	195,650	2,620,427	2,424,777
Total revenues	34,760,667	34,760,667	36,500,830	1,740,163
EXPENDITURES				
General government				
City Council	218,450	218,300	143,368	74,932
City Manager	767,373	767,373	842,606	(75,233)
City Secretary	307,923	307,923	247,708	60,215
Communications	167,597	167,597	149,425	18,172
Information systems	1,147,004	1,147,004	892,686	254,318
Human Resources	518,141	518,141	475,683	42,458
Facilities maintenance	800,157	800,157	738,933	61,224
Total general government	3,926,645	3,926,495	3,490,409	436,086
Community services				
Economic development	1,579,567	1,579,567	1,336,607	242,960
Planning and zoning	277,877	277,877	180,965	96,912
Total community services	1,857,444	1,857,444	1,517,572	339,872
Public services				
Maintenance services	1,128,972	1,128,972	1,163,013	(34,041)
Streets	939,248	939,248	725,500	213,748
Total public services	2,068,220	2,068,220	1,888,513	179,707
Administrative services				
Finance	696,832	696,832	659,116	37,716
Nondepartmental	1,316,110	1,349,144	1,147,651	201,493
Municipal court	544,908	544,908	526,105	18,803
Teen court	141,101	141,101	128,616	12,485
Total administrative services	2,698,951	2,731,985	2,461,488	270,497

See Notes to the Required Supplementary Information

City of Bedford, Texas

Budgetary Comparison Schedule General Fund – Continued
Year Ended September 30, 2020

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
EXPENDITURES				
Public safety				
Administration	1,197,902	1,197,152	799,968	397,184
Animal control	429,826	429,826	416,998	12,828
Criminal investigation division	2,075,164	2,074,814	1,694,975	379,839
Community services	1,137,319	1,137,169	810,760	326,409
COVID	-	-	1,990,854	(1,990,854)
Patrol	5,369,561	5,369,561	5,215,055	154,506
Traffic	666,419	666,419	372,087	294,332
Dispatch	881,682	881,682	858,566	23,116
Jail	914,241	914,241	837,762	76,479
Records	407,293	404,793	348,630	56,163
Repeat victimization unit	340,358	340,178	256,857	83,321
Fire operations	8,220,927	8,220,677	7,924,767	295,910
Total public safety	21,640,692	21,636,512	21,527,279	109,233
Leisure services				
Library	1,566,320	1,566,320	1,432,799	133,521
Parks	1,669,618	1,669,618	1,485,941	183,677
Recreation	691,267	691,267	370,100	321,167
Senior citizens	261,274	261,074	146,677	114,397
Splash	425,255	425,255	35,161	390,094
Total leisure services	4,613,734	4,613,534	3,470,678	1,142,856
Capital outlay	308,000	308,000	210,156	97,844
Debt service	259,411	259,411	224,288	35,123
Total expenditures	37,373,097	37,401,601	34,790,383	2,611,218
Excess (deficiency) of revenues over expenditures	(2,612,430)	(2,640,934)	1,710,447	4,351,381
OTHER FINANCING SOURCES (USES)				
Transfers in	2,981,218	2,981,218	3,149,277	168,059
Transfer out	-	-	(15,000)	(15,000)
Proceeds from sale of capital asset	5,000	(5,000)	34,202	39,202
Insurance proceeds	15,000	(15,000)	54,689	69,689
Total other financing sources (uses)	3,001,218	2,961,218	3,223,168	261,950
Net change in fund balance	388,788	320,284	4,933,615	4,613,331
FUND BALANCE, beginning of year	12,892,830	12,892,830	12,892,830	-
FUND BALANCE, end of year	$ 13,281,618	$ 13,213,114	$ 17,826,445	$ 4,613,331

See Notes to the Required Supplementary Information

City of Bedford, Texas
Budgetary Comparison Schedule
Economic Development 4B Fund
Year Ended September 30, 2020

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
REVENUES				
Taxes, penalty and interest	$ 2,900,000	$ 2,900,000	$ 3,023,794	$ 123,794
Interest	45,000	45,000	38,434	(6,566)
Total revenues	2,945,000	2,945,000	3,062,228	117,228
EXPENDITURES				
Current				
Public services	3,416,684	3,416,684	2,281,949	1,134,735
Capital outlay	1,094,800	1,094,800	1,036,236	58,564
Total expenditures	4,511,484	4,511,484	3,318,185	1,193,299
Excess (deficiency) of revenues over expenditures	(1,566,484)	(1,566,484)	(255,957)	1,310,527
OTHER FINANCING SOURCES (USES)				
Transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing sources (uses)	(250,000)	(250,000)	(250,000)	-
Net changes in fund balance	(1,816,484)	(1,816,484)	(505,957)	1,310,527
FUND BALANCE, beginning of year	3,449,906	3,449,906	3,449,906	-
FUND BALANCE, end of year	$ 1,633,422	$ 1,633,422	$ 2,943,949	$ 1,310,527

See Notes to the Required Supplementary Information

Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted for the General, Debt Service, Court Security, Court Technology, Tourism Development, Park Donation, Bedford Beautification, Economic Development, SWAT Netcast and Public Safety Training funds using the modified accrual basis of accounting.

The City Council follows these procedures in establishing budgetary data reflected in the financial statements:

- Prior to August 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to September 30, the budget is legally enacted through passage of an ordinance.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council after public hearings.
- All unexpended appropriations lapse at year-end.

Combining Fund Statements and Schedules

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Special Revenue Funds

Special Revenue Funds – are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City's nonmajor special revenue funds are as follows:

Miscellaneous Donations Fund – This fund is used to account for miscellaneous designated contributions from citizens and other governments.

Court Security Fund – This fund accounts for monies collected under state statute designated to provide security for the Municipal Court facilities.

Court Technology Fund – This fund is used for monies collected under state statute designed to provide increased technology for the Municipal Court facilities.

Park Donation Fund – This fund is used for contributions from citizens designated for park improvements.

Drug Forfeiture Fund – This fund accounts for monies received from participation in federal drug enforcement activities.

Bedford Beautification Fund – This fund accounts for revenue and expenditures related to various citywide beautification programs proposed by the City's Beautification Commission.

Municipal Jury Fund – This fund accounts for funds collected under state statute to fund juror reimbursements for jury services.

Public Safety Training Fund – This fund accounts for funds received from state surplus to be used for police training.

Tourism Development Fund – This fund accounts for hotel/motel taxes received.

Red Light Cameras Fund – This fund accounts for revenues generated from red light camera fines.

NETCO/Motorola Rebanding Fund – This fund accounts for the City's portion of proceeds received from Motorola for Northeast Tarrant County Trunked Radio Consortium (NETCO). Resolution No. 07-53.

SWAT Netcast Fund – This fund accounts for revenue and expenditures for the SWAT related activities.

Truancy Prevention & Diversion Fund – This fund accounts for the salaries, benefits, training, and other expenses to fund a Juvenile Case Manager.

Various Grants Fund – This fund accounts for revenues and expenditures from multiple grants, the majority of which pertain to energy conservation.

Capital Projects Funds

Capital Projects Funds – are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The City's nonmajor capital projects fund is as follows:

Street and Drainage Fund – to account for construction projects funded by developer agreements and assessments.

City of Bedford, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	Special Revenue Funds						
	Miscellaneous Donation	Court Security	Court Technology	Park Donation	Drug Forfeiture	Bedford Beautification	Municipal Jury
ASSETS							
Cash and cash equivalents	$ 84,426	$ 56	$ 48,157	$ 91,694	$ 82,672	$ 62,266	$ 204
Investments	-	-	-	-	-	-	-
Receivables							
Accounts	-	-	-	428	-	-	-
Other	-	-	-	-	-	-	-
Total assets	$ 84,426	$ 56	$ 48,157	$ 92,122	$ 82,672	$ 62,266	$ 204
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts and contract payable	$ 1,863	$ -	$ 34	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-	-	-	-
Total liabilities	1,863	-	34	-	-	-	-
Deferred inflows of resources							
Unavailable revenue	-	-	-	-	-	-	-
Fund Balances - Restricted for							
Street and drainage improvements	-	-	-	-	-	-	-
Public safety	-	56	48,123	-	82,672	-	204
Parks and beautification	-	-	-	92,122	-	62,266	-
Economic development	-	-	-	-	-	-	-
Other	82,563	-	-	-	-	-	-
Total fund balances	82,563	56	48,123	92,122	82,672	62,266	204
TOTAL LIABILITIES, DEFERRED INFLOWS, OF RESOURCES AND FUND BALANCES	$ 84,426	$ 56	$ 48,157	$ 92,122	$ 82,672	$ 62,266	$ 204

Special Revenue Funds							Capital Projects Fund	Total Nonmajor Governmental Funds
Public Safety Training	Tourism Development	Red Light Cameras	NETCO/ Motorola Rebanding	SWAT Netcast	Truancy Prevention & Diversion	Various Grants	Street and Drainage	
$ 9,825	$ 416,600	$ 11,328	$ 3,996	$ 54,315	$ 10,188	$ -	$ 984,974	$ 1,860,701
-	-	-	-	-	-	-	1,521,208	1,521,208
-	104,061	-	-	1,885	-	9,301	874	116,549
-	-	-	-	-	-	-	239,224	239,224
$ 9,825	$ 520,661	$ 11,328	$ 3,996	$ 56,200	$ 10,188	$ 9,301	$ 2,746,280	$ 3,737,682
$ -	$ 51,502	$ -	$ -	$ 3,007	$ -	$ 4,890	$ -	$ 61,296
-	-	-	-	-	-	4,411	-	4,411
-	51,502	-	-	3,007	-	9,301	-	65,707
-	-	-	-	-	-	-	239,224	239,224
-	-	-	-	-	-	-	2,507,056	2,507,056
9,825	-	11,328	-	53,193	-	-	-	205,401
-	-	-	-	-	-	-	-	154,388
-	469,159	-	-	-	-	-	-	469,159
-	-	-	3,996	-	10,188	-	-	96,747
9,825	469,159	11,328	3,996	53,193	10,188	-	2,507,056	3,432,751
$ 9,825	$ 520,661	$ 11,328	$ 3,996	$ 56,200	$ 10,188	$ 9,301	$ 2,746,280	$ 3,737,682

City of Bedford, Texas

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2020

	Special Revenue Funds						
	Miscellaneous Donation	Court Security	Court Technology	Park Donation	Drug Forfeiture	Bedford Beautification	Municipal Jury
REVENUES							
Taxes, penalty and interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Charges for service	-	-	-	-	-	-	-
Fines and forfeitures	-	21,066	22,924	-	-	-	204
Support from governmental entities	-	-	-	-	22,539	-	-
Interest	648	13	474	817	628	500	-
Miscellaneous	67,001	-	-	11,221	-	10,000	-
Total revenues	67,649	21,079	23,398	12,038	23,167	10,500	204
EXPENDITURES							
Current							
Community services	-	-	-	-	-	-	-
Public safety	1,961	-	-	-	10,653	-	-
Administrative services	-	-	41,122	-	-	-	-
Leisure services	32,253	-	-	14,655	-	4,261	-
Capital outlay	30,939	-	3,865	-	12,851	-	-
Total expenditures	65,153	-	44,987	14,655	23,504	4,261	-
Excess (deficiency) of revenues over (under) expenditures	2,496	21,079	(21,589)	(2,617)	(337)	6,239	204
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(21,100)	-	-	-	-	-
Total other financing sources (uses)	-	(21,100)	-	-	-	-	-
NET CHANGES IN FUND BALANCE	2,496	(21)	(21,589)	(2,617)	(337)	6,239	204
FUND BALANCE, beginning of year	80,067	77	69,712	94,739	83,009	56,027	-
FUND BALANCE, end of year	$ 82,563	$ 56	$ 48,123	$ 92,122	$ 82,672	$ 62,266	$ 204

Special Revenue Funds							Capital Projects Fund	Total
Public Safety Training	Tourism Development	Red Light Cameras	NETCO/ Motorola Rebanding	SWAT Netcast	Truancy Prevention & Diversion	Various Grants	Street and Drainage	Nonmajor Governmental Funds
$ -	$ 804,695	$ -	$ -	$ -	$ -	$ -	$ -	$ 804,695
-	1,461	-	-	-	-	-	-	1,461
-	-	-	-	-	10,188	-	-	54,382
7,149	-	-	-	45,000	-	261,896	-	336,584
79	2,489	103	34	284	-	-	49,902	55,971
-	2,732	-	-	-	-	-	-	90,954
7,228	811,377	103	34	45,284	10,188	261,896	49,902	1,344,047
-	379,160	-	-	-	-	-	-	379,160
8,843	-	-	-	40,368	-	82,945	-	144,770
-	-	-	-	-	-	-	-	41,122
-	-	-	-	-	-	3,807	-	54,976
-	-	-	-	-	-	175,144	-	222,799
8,843	379,160	-	-	40,368	-	261,896	-	842,827
(1,615)	432,217	103	34	4,916	10,188	-	49,902	501,220
-	-	-	-	15,000	-	-	-	15,000
-	(105,815)	-	-	-	-	-	-	(126,915)
-	(105,815)	-	-	15,000	-	-	-	(111,915)
(1,615)	326,402	103	34	19,916	10,188	-	49,902	389,305
11,440	142,757	11,225	3,962	33,277	-	-	2,457,154	3,043,446
$ 9,825	$ 469,159	$ 11,328	$ 3,996	$ 53,193	$ 10,188	$ -	$ 2,507,056	$ 3,432,751

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Nonmajor Governmental Funds

Special Revenue Funds

Annual budgets are adopted using the modified accrual basis of accounting for the following funds.

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds
Year Ended September 30, 2020

	Court Security			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Taxes, penalty and interest	$ -	$ -	$ -	$ -
Charges for service	-	-	-	-
Fines and forfeitures	25,000	25,000	21,066	(3,934)
Support from governmental entities	-	-	-	-
Interest	-	-	13	13
Miscellaneous	-	-	-	-
Total revenues	25,000	25,000	21,079	(3,921)
EXPENDITURES				
Current				
Community services	-	-	-	-
Public safety	-	-	-	-
Administrative services	-	-	-	-
Leisure services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	25,000	25,000	21,079	(3,921)
OTHER FINANCING SOURCES (USES)				
Transfers out	(25,000)	(25,000)	(21,100)	3,900
Total other financing sources (uses)	(25,000)	(25,000)	(21,100)	3,900
NET CHANGES IN FUND BALANCE	-	-	(21)	(21)
FUND BALANCE, beginning of year	77	77	77	-
FUND BALANCE, end of year	$ 77	$ 77	$ 56	$ (21)

Court Technology				Park Donation			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
45,000	45,000	22,924	(22,076)	-	-	-	-
-	-	-	-	-	-	-	-
1,000	1,000	474	(526)	1,000	1,000	817	(183)
-	-	-	-	13,000	13,000	11,221	(1,779)
46,000	46,000	23,398	(22,602)	14,000	14,000	12,038	(1,962)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
45,710	45,710	41,122	4,588	-	-	-	-
-	-	-	-	75,000	75,000	14,655	60,345
-	-	3,865	(3,865)	-	-	-	-
45,710	45,710	44,987	723	75,000	75,000	14,655	60,345
290	290	(21,589)	(21,879)	(61,000)	(61,000)	(2,617)	58,383
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
290	290	(21,589)	(21,879)	(61,000)	(61,000)	(2,617)	58,383
69,712	69,712	69,712	-	94,739	94,739	94,739	-
$ 70,002	$ 70,002	$ 48,123	$ (21,879)	$ 33,739	$ 33,739	$ 92,122	$ 58,383

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2020

	Bedford Beautification			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Taxes, penalty and interest	$ -	$ -	$ -	$ -
Charges for service	-	-	-	-
Fines and forfeitures	-	-	-	-
Support from governmental entities	-	-	-	-
Interest	600	600	500	(100)
Miscellaneous	10,000	10,000	10,000	-
Total revenues	10,600	10,600	10,500	(100)
EXPENDITURES				
Current				
Community services	-	-	-	-
Public safety	-	-	-	-
Administrative services	-	-	-	-
Leisure services	25,000	25,000	4,261	20,739
Capital outlay	-	-	-	-
Total expenditures	25,000	25,000	4,261	20,739
Excess (deficiency) of revenues over (under) expenditures	(14,400)	(14,400)	6,239	20,639
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCE	(14,400)	(14,400)	6,239	20,639
FUND BALANCE, beginning of year	56,027	56,027	56,027	-
FUND BALANCE, end of year	$ 41,627	$ 41,627	$ 62,266	$ 20,639

Public Safety Training				Tourism Development			
Original Budget	Final Budget	Actual	Variance from Budget	Original Budget	Final Budget	Actual	Variance from Budget
$ -	$ -	$ -	$ -	$ 900,000	$ 900,000	$ 804,695	$ (95,305)
-	-	-	-	401,750	401,750	1,461	(400,289)
-	-	-	-	-	-	-	-
5,900	5,900	7,149	1,249	-	-	-	-
200	200	79	(121)	8,000	8,000	2,489	(5,511)
-	-	-	-	650	650	2,732	2,082
6,100	6,100	7,228	1,128	1,310,400	1,310,400	811,377	(499,023)
-	-	-	-	1,191,699	1,191,699	379,160	812,539
6,150	6,150	8,843	(2,693)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,150	6,150	8,843	(2,693)	1,191,699	1,191,699	379,160	812,539
(50)	(50)	(1,615)	(1,565)	118,701	118,701	432,217	313,516
-	-	-	-	(105,815)	(105,815)	(105,815)	-
-	-	-	-	(105,815)	(105,815)	(105,815)	-
(50)	(50)	(1,615)	(1,565)	12,886	12,886	326,402	313,516
11,440	11,440	11,440	-	142,757	142,757	142,757	-
$ 11,390	$ 11,390	$ 9,825	$ (1,565)	$ 155,643	$ 155,643	$ 469,159	$ 313,516

City of Bedford, Texas

Individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Special Revenue Funds – Continued
Year Ended September 30, 2020

	SWAT Netcast			
	Original Budget	Final Budget	Actual	Variance from Budget
REVENUES				
Taxes, penalty and interest	$ -	$ -	$ -	$ -
Charges for service	-	-	-	-
Fines and forfeitures	-	-	-	-
Support from governmental entities	45,000	45,000	45,000	-
Interest	500	500	284	(216)
Miscellaneous	-	-	-	-
Total revenues	45,500	45,500	45,284	(216)
EXPENDITURES				
Current				
Community services	-	-	-	-
Public safety	60,000	60,000	40,368	19,632
Administrative services	-	-	-	-
Leisure services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	60,000	60,000	40,368	19,632
Excess (deficiency) of revenues over (under) expenditures	(14,500)	(14,500)	4,916	19,416
OTHER FINANCING SOURCES (USES)				
Transfers in	15,000	15,000	15,000	-
Total other financing sources (uses)	15,000	15,000	15,000	-
NET CHANGES IN FUND BALANCE	500	500	19,916	19,416
FUND BALANCE, beginning of year	33,277	33,277	33,277	-
FUND BALANCE, end of year	$ 33,777	$ 33,777	$ 53,193	$ 19,416

Debt Service Fund

Debt Service Fund is used to account for the accumulation of resources for the repayment of long-term debt.

City of Bedford, Texas

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
Debt Service Fund
Year Ended September 30, 2020

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
REVENUES				
Taxes, penalty and interest	$ 7,431,968	$ 7,431,968	$ 7,458,955	$ 26,987
Interest	40,000	40,000	18,866	(21,134)
Total revenues	7,471,968	7,471,968	7,477,821	5,853
EXPENDITURES				
Principal retirement	4,605,000	4,605,000	4,605,000	-
Interest and fiscal agent fees	2,916,742	2,916,742	2,933,331	(16,589)
Total expenditures	7,521,742	7,521,742	7,538,331	(16,589)
Excess (deficiency) of revenues over expenditures	(49,774)	(49,774)	(60,510)	(10,736)
NET CHANGES IN FUND BALANCE	(49,774)	(49,774)	(60,510)	(10,736)
FUND BALANCE, beginning of year	1,087,072	1,087,072	1,087,072	-
FUND BALANCE, end of year	$ 1,037,298	$ 1,037,298	$ 1,026,562	$ (10,736)

Statistical Section (Unaudited)

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Statistical Section

This part of the City of Bedford's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. The tables herein, are unaudited.

Contents

Page

Financial Trends 91

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 101

These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity 109

These schedules contain trend information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 117

The schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.

Operating Information 123

The schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules are derived from Comprehensive Annual Financial Reports for the relevant year.

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Financial Trends

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City of Bedford, Texas **Table 1**

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2011	2012	2013	2014	2015*	2016**	2017***	2018	2019	2020
Governmental Activities										
Net investment in capital assets	$ 18,342,224	$ 18,908,115	$ 14,323,066	$ 10,378,086	$ 12,689,825	$ 16,607,993	$ 16,730,480	$ 20,557,161	$ 26,261,635	$ 30,869,433
Restricted	3,638,843	5,213,292	8,426,186	6,081,351	6,583,532	9,411,339	9,064,137	7,368,500	7,222,051	6,520,240
Unrestricted	4,537,414	1,035,005	(20,696)	5,653,694	(3,086,535)	(3,727,742)	(3,770,175)	(1,847,912)	(3,266,088)	2,257,244
Total governmental activities net position	$ 26,518,481	$ 25,156,412	$ 22,728,556	$ 22,113,131	$ 16,186,822	$ 22,291,590	$ 22,024,442	$ 26,077,749	$ 30,217,598	$ 39,646,917
Business-type Activities										
Net investment in capital assets	$ 26,915,595	$ 25,139,719	$ 20,170,192	$ 32,812,435	$ 33,942,144	$ 34,388,626	$ 35,250,028	$ 36,338,584	$ 39,510,350	$ 39,149,012
Restricted	-	-	-	158,872	-	-	6,691	6,691	6,691	6,691
Unrestricted	3,806,277	7,136,012	11,845,248	5,256,555	4,062,030	4,454,409	5,099,493	6,262,758	4,168,137	6,609,492
Total business-type activities, net position	$ 30,721,872	$ 32,275,731	$ 32,015,440	$ 38,227,862	$ 38,004,174	$ 38,843,035	$ 40,356,212	$ 42,608,033	$ 43,685,178	$ 45,765,195
Primary Government										
Net investment in capital assets	$ 45,257,819	$ 44,047,834	$ 34,493,258	$ 43,190,521	$ 46,631,969	$ 50,996,619	$ 51,980,508	$ 56,895,745	$ 65,771,985	$ 70,018,445
Restricted	3,638,843	5,213,292	8,426,186	6,240,223	6,583,532	9,411,339	9,070,828	7,375,191	7,228,742	6,526,931
Unrestricted	8,343,691	8,171,017	11,824,552	10,910,249	975,495	726,667	1,329,318	4,414,846	902,049	8,866,736
Total primary government net position	$ 57,240,353	$ 57,432,143	$ 54,743,996	$ 60,340,993	$ 54,190,996	$ 61,134,625	$ 62,380,654	$ 68,685,782	$ 73,902,776	$ 85,412,112

*Amounts for 2015 were restated from the effects of GASB

**Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in prior financial statements

***Amounts for 2017 were restated to reflect the effects of GASB Statement No. 75

City of Bedford, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year		
	2011	2012	2013
Expenses			
Governmental activities			
General government and administration	$ 3,906,050	$ 4,796,677	$ 4,688,432
Community services	1,848,795	1,986,123	2,017,011
Public services	8,876,104	8,354,007	3,486,148
Public safety	18,358,228	17,292,190	22,828,761
Leisure services	4,754,190	3,690,814	3,765,867
Interest expense	2,213,384	2,169,120	1,724,511
Total governmental activities expense	3,209,965	12,761,870	38,510,730
Business-type activities			
Water and sewer services	16,294,807	15,112,250	15,645,261
Stormwater collection and disposal	-	-	1,256,126
Total business-type activities expenses	17,245,567	16,448,616	16,901,387
Total primary government program expenses	$ 57,202,318	$ 54,737,547	$ 55,412,117
Program revenues			
Governmental activities			
Charges for services			
General government and administration	$ 88,135	$ 84,733	$ 76,647
Community services	1,061,313	652,376	358,167
Public services	1,362,564	1,687,163	218,646
Public safety	2,541,942	2,386,756	3,374,638
Leisure services	1,129,453	1,174,702	1,158,956
Operating grants and contributions	711,749	599,111	610,603
Capital grants and contributions	1,695,184	44,102	-
Total governmental activities program revenues	8,590,340	6,628,943	5,797,657
Business-type activities			
Charges for services			
Water and sewer services	19,811,255	18,915,135	17,908,621
Stormwater collection and disposal	1,290,285	1,291,856	1,290,624
Capital grants and contributions	26,446	147,360	-
Total business-type activities program revenues	21,127,986	20,354,351	19,199,245
Total primary government program revenues	$ 29,718,326	$ 26,983,294	$ 24,996,902

	Fiscal Year						
	2014	2015	2016	2017	2018	2019	2020
	$ 5,688,961	$ 5,393,564	$ 5,429,870	$ 5,172,343	$ 5,358,893	$ 5,387,669	$ 6,156,789
	1,549,075	1,744,633	1,876,441	1,811,320	2,316,201	2,624,216	2,027,787
	3,431,383	3,655,287	5,983,295	5,421,724	5,696,229	6,823,307	5,312,274
	23,669,141	22,264,933	20,780,556	22,016,970	22,212,547	22,464,281	22,347,021
	3,823,403	4,068,948	4,364,247	5,418,465	5,315,999	5,426,554	4,627,770
	1,288,725	1,301,208	932,371	750,473.00	1,264,535	2,945,605	2,753,347
	39,450,688	38,428,573	39,366,781	40,591,295	42,164,404	45,671,632	43,224,988
	16,560,909	16,746,182	17,510,256	18,565,424.00	19,193,627	19,954,614	19,939,424
	926,258	956,824	874,192	873,153	972,189	1,145,538	973,147
	17,487,167	17,703,006	18,384,448	19,438,577	20,165,816	21,100,152	20,912,571
	$ 56,937,855	$ 56,131,579	$ 57,751,229	$ 60,029,872	$ 62,330,220	$ 66,771,784	$ 64,137,559
	$ 86,874	$ 159,473	$ 91,702	$ 92,875.00	$ 92,114	$ 87,355	$ 87,443
	586,449	274,561	310,534	330,216.00	1,277,634	1,115,387	1,125,668
	261,846	1,111,453	1,102,811	934,551	644	983	235
	4,083,939	4,227,029	3,837,145	4,030,313	4,281,278	3,921,718	3,570,409
	1,210,305	1,126,884	1,158,145	1,091,945	1,068,533	1,051,300	94,790
	599,930	61,067	41,653	24,828	45,842	63,548	1,980,380
	93,556	79,783	135,258	511,184	731,673	282,931	584,841
	6,922,899	7,040,250	6,677,248	7,015,912	7,497,718	6,523,222	7,443,766
	18,607,795	19,102,535	20,267,092	20,995,798.00	22,528,181	22,243,765	23,381,490
	1,312,932	1,302,656	1,303,734	1,660,438	1,695,337	1,633,428	1,700,008
	6,263,044	325,496	162,647	625,677	209,972	56,143	150,816
	26,183,771	20,730,687	21,733,473	23,281,913	24,433,490	23,933,336	25,232,314
	$ 33,106,670	$ 27,770,937	$ 28,410,721	$ 30,297,825	$ 31,931,208	$ 30,456,558	$ 32,676,080

City of Bedford, Texas
Changes in Net Position – Continued
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year		
	2011	2012	2013
Net (expense) revenues			
Governmental activities	$ (31,366,411)	$ (31,659,988)	$ (32,713,073)
Business-type activities	3,882,419	3,905,735	2,297,858
Total primary government net expense	(27,483,992)	(27,754,253)	(30,415,215)
General revenues and other			
Changes in net position			
Governmental activities			
Taxes			
Property	13,968,871	13,735,255	14,488,399
Sales	9,060,295	9,363,047	9,629,427
Franchise and occupancy	3,405,709	3,325,941	3,338,307
Other	919,452	875,838	901,956
Unrestricted grants and contributions	34,355	-	-
Investment earnings	131,541	26,459	33,521
Miscellaneous	451,896	594,715	535,474
Transfers	2,336,631	2,376,664	2,414,451
Total governmental activities	30,308,750	30,297,919	31,341,535
Business-type activities			
Investment earnings	55,527	21,051	47,321
Miscellaneous	3,317	3,734	11,406
Transfers	(2,336,631)	(2,376,664)	(2,414,451)
Total business-type activities	(2,277,787)	(2,351,879)	(2,355,724)
Total primary government	28,030,963	27,946,040	28,985,811
Change in net position			
Government activities	(1,057,661)	(1,362,069)	(1,371,538)
Business-type activities	1,604,632	1,553,856	(57,866)
Total primary government	$ 546,971	$ 191,787	$ (1,429,404)

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
$ (32,527,789)	$ (31,388,323)	$ (32,689,533)	$ (33,575,383)	$ (34,666,686)	$ (39,148,410)	$ (35,781,222)
8,696,604	3,027,681	3,349,025	3,843,336	4,267,674	2,833,184	4,319,743
(23,831,185)	(28,360,642)	(29,340,508)	(29,732,047)	(30,399,012)	(36,315,226)	(31,461,479)
14,297,275	14,543,198	15,507,727	16,273,095	19,143,856	22,131,826	24,479,357
9,985,658	11,048,748	10,787,539	10,905,398	10,936,716	11,739,682	12,201,337
3,584,311	3,555,243	3,432,957	3,331,500	3,432,589	3,209,965	3,651,973
1,028,447	1,236,319	1,358,741	1,070,774	954,751	1,032,118	18,000
-	-	-	231,388	237,958	-	-
43,393	45,552	86,353	227,800	987,778	2,184,375	1,355,958
466,677	425,314	4,526,458	140,792	731,554	126,100	731,554
2,506,603	2,479,790	2,644,416	2,697,694.00	2,827,805	2,864,193	2,772,362
31,912,364	33,334,164	38,344,191	34,878,441	39,253,007	43,288,259	45,210,541
22,421	14,955	174,144	356,632	811,952	1,006,994	542,904
-	-	(39,892)	-	-	101,160	(10,268)
(2,506,603)	(2,479,790)	(2,644,416)	(2,697,694)	(2,827,805)	(2,864,193)	(2,772,362)
(2,484,182)	(2,464,835)	(2,510,164)	(2,341,062)	(2,015,853)	(1,756,039)	(2,239,726)
29,428,182	30,869,329	35,834,027	32,537,379	37,237,154	41,532,220	42,970,815
(615,425)	1,945,841	5,654,658	1,303,058	4,586,321	4,139,849	9,429,319
6,212,422	562,846	838,861	1,502,274	2,251,821	1,077,145	2,080,017
$ 5,596,997	$ 2,508,687	$ 6,493,519	$ 2,805,332	$ 6,838,142	$ 5,216,994	$ 11,509,336

City of Bedford, Texas **Table 3**

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016**	2017	2018	2019	2020
General fund										
Nonspendable	$ 326,807	$ 360,284	$ 357,761	$ 724,210	$ 326,676	$ 236,097	$ 30,104	$ 24,572	$ 33,491	$ 38,089
Restricted	-	-	-	478,872	-	35,464	35,464	35,464	35,464	35,464
Assigned	-	-	-	-	-	140,000	-	-	-	-
Committed - special projects	-	-	-	-	-	4,486,890	-	-	-	-
Unassigned	4,087,163	4,764,530	5,751,658	6,172,841	7,199,906	7,437,211	11,873,958	13,587,512	12,823,875	17,752,892
Total general fund	$ 4,413,970	$ 5,124,814	$ 6,109,419	$ 7,375,923	$ 7,526,582	$ 12,335,662	$ 11,939,526	$ 13,647,548	$ 12,892,830	$ 17,826,445
All other governmental funds										
Restricted for										
Debt service	$ 1,219,755	$ 1,108,669	$ 1,060,593	$ 977,409	$ 936,907	$ 944,473	$ 973,557	$ 1,049,549	$ 1,087,072	$ 1,055,347
Street and drainage improvements	1,815,920	1,824,024	1,832,971	1,839,601	1,848,957	2,274,285	2,392,382	2,390,700	2,457,154	2,507,056
Capital acquisition and construction	3,254,958	1,830,699	3,274,169	7,015,936	3,207,349	1,184,007	828,271	61,113,475	62,640,687	68,344,678
Economic development	1,183,613	1,501,475	1,903,735	2,697,890	3,713,371	4,515,434	4,465,576	4,224,387	3,592,669	3,413,108
Public safety	625,514	308,698	248,091	284,840	277,111	279,938	210,675	212,830	208,740	205,401
Parks and beautification	83,481	505,923	715,438	982,540	1,234,435	109,323	120,624	138,990	150,766	154,388
Other	52,482	54,960	48,909	75,590	95,032	68,415	68,215	66,611	84,029	96,747
Unassigned	(204,412)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ 8,031,311	$ 7,134,448	$ 9,083,906	$ 13,873,806	$ 11,313,162	$ 9,375,875	$ 9,059,300	$ 69,196,542	$ 70,221,117	$ 75,776,725

**Amounts for 2016 were restated to reflect the effects of prior period adjustment as described in prior financial statements

City of Bedford, Texas **Table 4**

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Taxes, penalties and interest	$ 27,322,766	$ 27,950,618	$ 28,278,856	$ 29,072,928	$ 30,729,516	$ 30,859,702	$ 31,805,280	$34,728,875	$38,132,727	$40,180,922
Licenses and permits	521,463	863,709	456,761	628,484	871,081	692,700	1,056,327.00	1,004,797	1,003,348	1,030,639
Charges for services	2,817,269	2,822,239	3,097,437	3,177,429	3,591,135	3,959,448	3,332,863	3,651,650	3,335,686	2,427,403
Fines and forfeitures	2,109,088	2,078,895	1,502,737	2,220,906	1,949,006	1,660,311	1,742,325	1,802,258	1,476,392	1,047,963
Support from governmental entities	2,329,053	654,732	661,413	689,840	647,946	365,533	694,134	686,310	520,990	678,278
Interest	131,541	26,459	33,521	43,393	45,552	86,353	227,800	987,779	2,184,375	1,355,958
Miscellaneous	577,387	557,599	622,819	425,913	486,410	4,792,905	223,805	228,312	239,819	2,729,381
Total revenues	35,808,567	34,954,251	34,653,544	36,258,893	38,320,646	42,416,952	39,082,534	43,089,981	46,893,337	49,450,544
EXPENDITURES										
General government	1,637,817	1,574,751	1,627,934	1,791,511	2,229,137	2,005,931	2,335,285.00	2,387,709	2,402,492	3,490,409
Community services	1,780,483	1,912,686	1,953,414	1,488,981	1,682,326	1,806,262	1,744,784	2,175,457	2,457,588	1,896,732
Public services			2,457,948	2,452,901	2,622,977	3,263,538	2,937,472	3,326,194	5,199,368	4,170,468
Administrative services	1,903,157	2,081,900	1,946,533	2,261,952	2,057,540	2,194,218	2,659,858	2,741,039	2,707,621	2,502,610
Public safety	16,986,248	16,126,751	16,797,850	18,051,735	18,346,405	19,383,973	20,243,699	20,602,308	20,909,014	21,672,049
Leisure services	3,782,933	3,661,546	3,751,588	3,804,071	4,046,351	4,290,997	4,306,461	4,221,724	4,277,851	3,612,983
Capital outlay	5,272,761	2,281,440	1,243,851	2,114,252	5,154,812	2,943,455	2,917,962	1,460,298	6,274,316	6,752,435
Debt service										
Interest and fiscal agent fees	2,265,090	1,921,115	1,689,615	1,462,845	1,358,233	1,119,668	912,214.00	847,728	4,717,422	4,825,799
Principal retirement	4,610,000	5,186,621	5,066,888	5,268,055	5,775,675	5,698,767	5,914,341	7,069,573	3,433,233	3,028,661
Bond issuance costs	-	-	72,818	96,476	-	-	-	-	-	-
Total expenditures	41,735,816	37,455,229	36,608,439	38,792,779	43,273,456	42,706,809	43,972,076	44,832,030	52,378,905	51,952,146

City of Bedford, Texas **Table 4**

Changes in Fund Balances of Governmental Funds – Continued
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,927,249)	(2,500,978)	(1,954,895)	(2,533,886)	(4,952,810)	(289,857)	(4,889,542)	(1,742,049)	(5,485,568)	(2,501,602)
OTHER FINANCING SOURCES (USES)										
Issuance of general obligation bonds	6,115,000	-	5,375,000	5,500,000	-	-	1,105,000	57,540,000	2,750,000	12,980,000
Payments to refund escrow	-	-	-	-	-	-	-	-	-	(3,352,149)
Premium on bonds issued	-	-	-	-	-	-	-	2,667,427	126,830	501,721
Lease purchase proceeds	-	339,011	228,370	221,936	-	-	323,221	462,030	-	-
Proceeds from sale of capital assets	44,797	219,723	77	40,764	35,550	11,489	8,329	4,733	14,063	34,202
Premium on debt	97,085	-	75,085	61,948	-	-	-	-	-	-
Payments to escrow account	(3,313,090)	-	(3,682,267)	-	-	-	-	-	-	-
Insurance proceeds	10,288	41,100	45,073	30,669	27,485	55,635	42,587	85,318	339	54,689
Transfers in	3,909,807	3,863,681	3,896,716	3,999,750	3,956,299	4,658,149	4,218,256	4,407,859	3,030,814	3,164,277
Transfers out	(1,573,176)	1,487,017	(1,482,265)	(1,493,147)	(1,476,509)	(2,013,733)	(1,520,562)	(1,580,054)	(166,621)	(391,915)
Total other financing sources (uses)	5,290,711	5,950,532	4,455,789	8,361,920	2,542,825	2,711,540	4,176,831	63,587,313	5,755,425	12,990,825
NET CHANGED IN FUND BALANCES	$ (636,538)	$ 3,449,554	$ 2,500,894	$ 5,828,034	$ (2,409,985)	$ 2,421,683	$ (712,711)	$61,845,264	$ 269,857	$10,489,223
Debt Service as a Percentage of Noncapital Expenditures	17.6%	18.9%	20.2%	19.3%	18.6%	18.7%	17.1%	17.3%	17.7%	17.4%

Revenue Capacity

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City of Bedford, Texas **Table 5**

Tax Revenues by Source – Governmental Funds
Last Ten Fiscal Years

Fiscal Years Ended	Ad Valorem	Hotel/Motel	Franchise	Sales and Other	Total
2011	$ 13,968,871	$ 663,291	$ 3,405,709	$ 9,060,295	$ 27,098,166
2012	13,735,255	723,745	3,325,941	9,363,047	27,147,988
2013	14,488,399	749,612	3,338,307	9,629,427	28,129,068
2014	14,297,275	840,119	3,584,311	9,985,658	28,884,962
2015	14,543,198	1,027,473	3,555,243	11,048,748	30,174,662
2016	15,507,727	1,123,421	3,432,957	11,022,859	31,086,964
2017	16,266,220	1,070,774	3,331,500	11,136,786	31,805,280
2018	19,452,182	954,751	3,432,589	10,936,716	34,776,238
2019	22,048,319	1,022,188	3,209,965	11,739,682	38,020,154
2020	24,416,168	729,835	2,922,138	12,201,337	40,269,478

City of Bedford, Texas **Table 6**

Water Revenue
Last Ten Fiscal Years

Fiscal Year	Number of Customers	Gallons Billed (000's)	Water Revenue	Revenue Per Customer	Revenue Per 1,000 Gallons
2011	23,090	2,945,337	$ 12,673,013	$ 549	$ 4.30
2012	23,035	2,674,949	12,185,112	529	4.56
2013	23,018	2,511,415	11,834,377	514	4.71
2014	23,041	2,337,171	11,855,648	515	5.07
2015	23,116	2,235,456	12,309,854	533	5.51
2016	23,172	2,355,706	12,806,549	553	5.44
2017	23,216	2,282,073	13,165,148	567	5.77
2018	23,225	2,445,290	14,121,583	608	5.78
2019	23,246	2,177,551	13,414,821	577	6.16
2020	23,271	2,325,519	14,507,430	623	6.24

City of Bedford, Texas **Table 7**

Principal Water Customers

Fiscal Year Ended September 30, 2020

Customer Name	Gallons Consumed (000's)	Percent Total	Amount Billed	Total Percent
Texas Health Resources-HEB Hospital	56,025	2.41%	$ 460,638	3.18%
Canopy on Central LP	37,961	1.63%	190,333	1.31%
Colonial Village @ Shoal Creek	29,217	1.26%	159,590	1.10%
Colonial Village @ Willow Creek	28,730	1.24%	156,350	1.08%
The Logan	27,694	1.19%	149,971	1.03%
Heartis Mid Cities Partner	19,611	0.84%	92,329	0.64%
Windmill Terrace	16,554	0.71%	87,303	0.60%
Cornerstone Summerstone	15,962	0.69%	85,809	0.59%
The Morgan Apartments	15,490	0.67%	76,910	0.53%
The Creek on Park Place	13,989	0.60%	107,384	0.74%
Top Ten Total	261,233	11.23%	$ 1,566,616	10.80%
City Total	2,325,519	100.00%	$ 14,507,430	100.00%

City of Bedford, Texas **Table 8**

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Total Appraised Value	Less: Tax-exempt Property	Net Taxable Value	Total Direct Tax Rate	Estimated Net Taxable Value
2011	$ 2,986,569,350	$ 179,267,541	$ 3,165,836,891	$ 363,395,164	$ 2,802,441,727	0.4916090	$ 2,802,441,727
*2012	3,095,960,546	168,619,714	3,264,580,260	387,551,829	2,877,028,431	0.5043290	2,877,028,431
2013	3,235,990,575	159,315,402	3,395,305,977	429,317,650	2,965,988,327	0.4991150	2,970,991,006
2014	3,202,304,589	161,052,296	3,363,356,885	402,262,501	2,961,094,384	0.4948303	2,961,094,384
2015	3,372,021,008	165,181,254	3,537,202,262	449,152,253	3,088,050,009	0.4948303	3,121,183,647
2016	3,359,873,966	168,488,758	3,528,362,724	451,210,531	3,077,152,193	0.4948303	3,192,632,438
2017	3,683,978,396	169,722,606	3,853,701,002	463,425,828	3,390,275,174	0.4765090	3,566,086,055
2018	4,159,701,044	192,718,639	4,352,419,683	546,896,067	3,805,523,616	0.5200000	3,939,845,851
2019	4,617,406,859	215,528,570	4,832,935,429	575,776,312	4,257,159,117	0.5618620	4,315,127,332
2020	5,050,500,158	229,032,759	5,279,532,917	601,536,699	4,677,996,218	0.5690000	4,756,793,584

Source: Tarrant Appraisal District (Reports)

***Note:** Net Taxable Value and Estimated Net Taxable Value Columns are based on the July Certified Appraisal roles with the exception of 2012. 2012 Total Taxable Assessed Value and Estimated Actual Taxable Value columns are based on the September Certified Appraisal roles due to the timing of re-evaluation of properties. If the July role would have been used, the taxable value would have been materially understated.

City of Bedford, Texas **Table 9**

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2020 Taxable Assessed Value		2020 Percentage of Total City Taxable Assessed Value	2011 Taxable Assessed Value		2011 Percentage of Total City Taxable Assessed Value
Canopy on Central LP/Logan Al LP The	$ 123,518,631	1	2.60%	$ -		0.00%
CMF 15 Portfolio LLC	121,300,000	2	2.55%	68,980,000	1	-
Morgan Res LLC	59,945,000	3	1.26%	-		-
Point Loma Woods Dallas LLC	32,490,000	4	0.68%	10,750,960	10	-
Bedford Medical Properties LLC	31,116,736	5	0.65%	-		-
Allmark Central Park LP	29,400,000	6	0.62%	-		-
AMFP IV Pecan Creek LLC	27,690,000	7	0.58%	-		-
Oncor Electric Delivery CO LLC	27,285,570	8	0.57%	19,255,870	4	0.69%
SW Verity/Verity Mid Cities CO	25,000,000	9	0.53%	-		-
Shops Dunhill Ratel, LLC	24,128,870	10	0.51%	16,421,105	6	-
Wal-Mart Stores, Inc.	-		-	25,613,022	2	0.91%
PEM 121 Airport S L.P.	-		-	19,785,419	3	0.71%
WDOP SUB II	-		-	18,477,721	5	0.66%
Texas Health Resources	-		-	12,308,558	7	0.44%
State National Insurance Co. Inc.	-		-	12,091,503	8	0.43%
ML Casa III, L.P.	-		-	11,684,000	9	0.42%
Total	$ 501,874,807		10.55%	$ 215,368,158		4.25%
Total Taxable Assessed Value	$ 4,756,793,584			$ 2,802,441,727		

City of Bedford, Texas **Table 10**

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	$ 13,897,299	$ 13,799,107	99.29%	$ 93,693	$ 13,892,800	99.97%
2012	14,374,422	14,201,336	98.80%	63,934	14,265,271	99.24%
2013	14,437,257	14,263,591	98.80%	51,369	14,314,960	99.15%
2014	14,524,393	14,414,247	99.24%	15,728	14,429,974	99.35%
2015	15,079,653	14,817,417	98.26%	33,488	14,850,904	98.48%
2016	15,294,958	15,244,866	99.67%	18,242	15,263,108	99.79%
2017	16,266,337	16,194,415	99.56%	18,080	16,212,495	99.67%
2018	19,162,258	19,052,625	99.43%	46,281	19,098,906	99.67%
2019	22,188,910	22,117,645	99.68%	69,655	22,187,300	99.99%
2020	24,417,311	24,327,917	99.63%	(23,290)	24,304,627	99.54%

Source: Tarrant County Tax Office (YTD Summary - Part C)

Debt Capacity

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City of Bedford, Texas **Table 11**

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

	Governmental Activities					Business-Type Activities					
Fiscal Year	General Obligation Bonds	Contractual Obligations	Certificates of Obligation	Tax Notes	Capital Leases	Water Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Total Primary Government	Percentage of Personal Income	Per Capita
2011	$43,580,000	$ -	$ 2,440,000	$ 190,000	$ -	$ 4,150,000	$ -	$ 10,810,000	$61,170,000	3.77%	1,302
2012	38,738,000	-	2,285,000	-	339,000	-	4,510,000	9,832,000	55,704,000	3.39%	1,185
2013	35,680,000	-	2,120,000	-	478,872	-	3,945,000	14,330,000	56,553,872	3.50%	1,164
*2014	34,926,852	2,309,788	1,977,498	-	395,817	-	3,703,018	13,756,004	57,068,977	3.32%	1,171
2015	29,462,886	2,098,809	1,805,970	-	310,142	-	3,395,766	13,097,194	50,170,767	2.83%	1,023
2016	24,083,919	1,882,830	1,634,443	-	221,375	-	3,078,513	41,798,385	72,699,465	4.10%	1,482
2017	18,809,953	1,661,852	1,452,915	885,000	370,255	-	2,751,261	40,459,576	66,390,812	3.65%	1,351
2018	72,728,413	1,440,873	1,266,387	670,000	517,710		9,267,684	55,900,937	141,792,004	7.77%	2,880
2019	68,611,076	1,214,894	1,074,860	3,326,830	265,288	-	8,763,517	58,278,838	141,535,303	7.20%	2,861
2020	75,026,130	983,915	878,332	2,601,464	44,489	-	9,475,089	55,146,873	144,156,292	7.14%	2,907

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Personal income and population information can be found in Table 16

*Beginning Fiscal Year 2014, balances are net of bond premium/discounts.

City of Bedford, Texas **Table 12**

Ratio of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding: Gross Bonded Debt	Less Debt Service	Less Debt Payable from Enterprise	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2011	$ 56,830,000	$ 1,219,755	$ 13,340,000	$ 42,270,245	1.51%	900
2012	55,365,000	1,108,669	12,725,000	41,531,331	1.44%	884
2013	56,075,000	1,070,702	12,075,000	42,929,298	1.44%	884
2014	54,363,372	977,409	17,459,022	35,926,940	1.21%	737
2015	47,761,816	936,908	16,492,960	30,331,948	0.97%	618
2016	70,595,260	944,475	44,876,898	24,773,888	0.78%	504
2017	63,473,704	973,557	43,210,837	19,289,310	0.54%	392
2018	139,163,423	1,049,549	55,900,937	82,212,936	2.09%	1,668
2019	136,594,919	1,087,072	58,278,838	77,229,009	1.79%	1,567
2020	140,526,424	1,055,347	55,146,873	84,324,203	1.77%	1,701

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Property value data can be found in Table 8
Population data can be found in Table 16

City of Bedford, Texas **Table 13**

Direct and Overlapping
Governmental Activities Debt
September 30, 2020

Taxing Jurisdiction	Taxable Assessed Value (000's) 2019/2020	Debt Outstanding	Estimated Percentage Applicable *	Estimated Share of Direct and Overlapping Debt
Hurst-Euless-Bedford Independent School District	15,498,767,290	$ 411,016,000	29.11%	$ 119,646,758
Tarrant County	203,975,532,778	286,848,885	2.18%	6,253,306
Tarrant County College District	205,818,473,970	298,317,170	2.18%	6,503,314
Tarrant County Hospital District	204,429,919,444	30,035,000	2.18%	654,763
Subtotal overlapping debt		1,026,217,055		133,058,141
City of Bedford	4,702,581,724	79,534,330	100.00%	79,534,330
Total direct and overlapping debt		$ 1,105,751,385		$ 212,592,470

Source: Debt outstanding data provided by each governmental unit or obtained from Municipal Advisory Council of Texas.

*The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

City of Bedford, Texas **Table 14**

Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Total taxable assessed value (AV)	Debt limit 2.5% of Assessed Value (AV)	Total Net Debt Applicable to the Limit	Legal Debt Margin	Total net debt applicable to the limit as a % of Taxable AV	% of Debt Limit Available
2011	$ 2,802,441,727	$ 70,061,043	$ 57,020,000	$ 13,041,043	2.0%	18.6%
2012	2,877,028,431	71,925,711	55,365,000	16,560,711	1.9%	23.0%
2013	2,965,988,327	74,149,708	56,075,000	18,074,708	1.9%	24.4%
2014	2,961,094,384	74,027,360	56,673,160	17,354,200	1.9%	23.4%
2015	3,121,183,647	78,029,591	49,860,625	28,168,966	1.6%	36.1%
2016	3,077,152,193	76,928,805	72,478,091	4,450,714	2.4%	5.8%
2017	3,390,275,174	84,756,879	66,020,556	18,736,323	1.9%	22.1%
2018	3,805,523,616	95,138,090	72,728,413	22,409,677	1.9%	23.6%
2019	4,257,159,117	106,428,978	68,477,704	37,951,274	1.6%	35.7%
2020	4,677,996,218	116,949,905	75,026,130	41,923,776	1.6%	35.8%

***Note:** The City of Bedford does not have a legal debt limit prescribed by state law. However, Article XI, Section 5 of the State Constitution provide that a maximum tax rate of $2.50 per $100 assessed valuation may be imposed for any one year. Additionally, no debt shall be created by any city, unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating an interest and sinking fund of at least 2 percent thereon.

Although Section 6.01 of the Bedford City Charter states a maximum tax rate of $1.50 per $100 assessed valuation, this particular table will address the City of Bedford's legal debt limit by using Article XI, Section 5 of the State Constitution because the City does not officially have a legal debt limit for general obligation bonds as well as certificate of obligations

City of Bedford, Texas **Table 15**

Pledged Revenue Coverage

Last Ten Fiscal Years

	Water Revenue Bonds							
Fiscal Year	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Revenue Bond Coverage	Average Annual Debt Service	Average Requirements
2011	$ 19,811,255	$ 14,552,568	$ 5,258,687	$ 195,000	$ 158,533	2.95	$ 316,165	16.63
* 2012	18,915,135	13,473,986	5,441,149	-	-	-	-	-
2013	17,908,621	13,900,489	4,008,132	-	-	-	-	-
2014	18,607,795	14,575,557	4,032,238	-	-	-	-	-
2015	19,102,535	14,623,282	4,479,253	-	-	-	-	-
2016	20,267,092	14,853,564	5,413,528	-	-	-	-	-
2017	20,995,798	15,753,352	5,242,446	-	-	-	-	-
2018	22,528,121	15,832,882	6,695,239	-	-	-	-	-
2019	22,243,765	16,531,568	5,712,197	-	-	-	-	-
2020	23,381,490	16,274,933	7,106,557	-	-	-	-	-

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Operating expenses do not include interest, depreciation, or amortization expenses.

* 2012 - Annual Debt Service Variance is due to the city refunded its 1998 and 2002 revenue bonds, so no longer own revenue bonds which impact the calculation.

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Demographic and Economic Information

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City of Bedford, Texas **Table 16**

Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	(000's) Personal Income	Per Capita Personal Income	Average Household Income	Median Age	School Enrollment	Unemployment Rate
2011	46,979	1,620,682	$ 34,498	$ 75,462	34	20,898	6.8%
2012	47,001	1,641,557	34,926	61,584	40	20,762	5.2%
2013	48,566	1,615,499	33,264	78,521	40	21,814	5.3%
2014	48,721	1,719,705	35,297	78,372	41	22,138	4.7%
2015	49,054	1,773,155	36,147	80,275	41	22,180	4.6%
2016	49,151	1,819,154	37,001	82,240	41	22,762	3.6%
2017	49,234	1,824,415	37,056	82,321	41	23,090	3.2%
2018	49,282	1,869,217	37,929	83,807	42	23,578	3.3%
2019	49,428	1,964,714	39,749	87,623	42	23,707	3.2%
2020	49,582	2,018,880	40,718	89,476	42	23,707	7.7%

Sources: Population: North Central Texas Council of Governments (NCTOG)
Per Capita Personal Income and Average Household Income: Alteryx
Median Age and Unemployment Rate: Alteryx
School Enrollment: HEB ISD/About/Quick Facts
Unemployment Rate: Texas Labor Market and Career Information (TWC)

City of Bedford, Texas **Table 17**

Principal Employers
Current Year and Nine Years Ago

Employer	2020 Employees	2020 Percentage of Total City Employment	2011 Employees	2011 Percentage of Total City Employment
Texas Health Resources HEB	1,327	4.83%	1,600	7.67%
Carter BloodCare	871	3.17%	1,100	5.27%
HEB ISD (Admin Offices/Bedford Campuses)	738	2.68%	250	1.20%
State National Companies	509	1.85%	400	1.92%
Warrantech	494	1.80%	415	1.99%
Walmart Supercenter	440	1.60%	435	2.08%
City of Bedford	339	1.23%	370	1.77%
Daystar Television Network	299	1.09%	200	0.96%
Kroger Foods, Inc.	110	0.40%	-	0.00%
Albertson's	88	0.32%	-	0.00%
Boeryl	-	0.00%	400	1.92%
Transamerica Insurance	-	0.00%	300	1.44%
	27,502	18.96%	20,868	26.21%

Sources:

Information comes from City of Bedford, Economic Development Department - Demographics data
Total City Employment information can be found Texas Workfoce Commission Website via
(http://www.tracer2.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE)
- this link only gives the grand total

City of Bedford, Texas **Table 18**

Direct and Overlapping Tax Rates

Last Ten Fiscal Years

	City Direct Rates			Overlapping Rates			
Fiscal Year	Operating / General Rate	General Obligation Debt Service	Total Direct Rate	Hurst-Euless-Bedford ISD	Tarrant County	Tarrant County Hospital District	Tarrant County Community College
2011	0.309075	0.182534	0.491609	1.2882	0.2640	0.2279	0.1376
2012	0.311257	0.193072	0.504329	1.4140	0.2640	0.2279	0.1490
2013	0.306043	0.193072	0.499115	1.4075	0.2640	0.2279	0.1490
2014	0.303214	0.191616	0.494830	1.3875	0.2640	0.2279	0.1495
2015	0.289907	0.204923	0.494830	1.3750	0.2640	0.2279	0.1495
2016	0.299332	0.195498	0.494830	1.3500	0.2640	0.2279	0.1495
2017	0.303747	0.172762	0.476509	1.3160	0.2540	0.2279	0.1447
2018	0.340560	0.179440	0.520000	1.2630	0.2440	0.2244	0.1401
2019	0.344135	0.217727	0.561862	1.2730	0.2340	0.2244	0.1361
2020	0.384633	0.184367	0.569000	1.1980	0.2340	0.2244	0.1302

Sources: City of Bedford Budget Office, Tarrant Appraisal District

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Operating Information

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City of Bedford, Texas **Table 19**

Full-time Equivalent City Governmental Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Management and Communication	6.0	6.0	6.0	7.5	7.5	9.5	9.5	9.5	9.5	10.5
Finance	12.0	12.0	12.5	11.5	11.5	11.5	11.5	11.5	11.5	12.5
Municipal Court and Teen Court	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	8.0
Development and Planning	12.8	12.8	6.0	6.0	6.0	6.0	6.0	13.0	13.0	19.0
Library	16.4	17.2	19.7	19.6	19.6	19.5	19.5	19.5	19.5	19.5
Support Services	11.0	11.0	10.0	11.0	11.0	22.0	23.0	18.0	18.0	18.0
Police										
Officers	86.3	84.3	80.0	80.0	80.0	81.0	80.0	80.0	81.0	81.0
Civilians	48.6	49.6	55.0	53.0	56.0	57.0	56.0	59.0	59.0	72.0
Animal Control	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Fire										
Firefighters and Officers	64.0	64.0	63.0	63.0	63.0	63.0	63.0	63.0	66.0	66.0
Civilians	2.0	2.0	8.0	8.0	9.0	10.0	10.0	3.0	3.0	6.0
Parks and Recreation										
Management and Communication	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-
Parks and Recreation	37.8	36.4	37.5	37.6	37.1	39.1	39.4	38.9	39.8	40.8
Senior Citizens Center	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Tourism and Special Events	3.5	3.5	4.4	4.5	5.5	6.0	6.0	6.5	6.5	4.5
Public works										
Engineering	6.0	6.0	5.5	5.5	8.0	8.0	8.0	8.0	8.0	8.0
Water	15.0	13.0	13.8	12.5	12.5	13.3	14.3	14.3	14.3	14.3
Wastewater	8.0	7.0	7.0	7.5	7.5	7.5	7.5	7.5	7.5	7.0
Stormwater	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Streets	10.0	11.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
*Fleet Maintenance	4.0	4.0	4.0	4.0	4.0	-	-	5.0	5.0	5.0
Total	370.4	367.2	369.8	368.8	375.7	390.9	391.2	394.1	399.2	417.6

Source: City Finance - Position Control Report

*2016 - Fleet Maintenance moved from Public Works to Support Services (5.0 FTE)

*2017 - Inspections moved from Fire Department to Development and Planning (7.0 FTE)

City of Bedford, Texas **Table 20**

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/Program by Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Inspections										
Residential & Commercial Permits Issued	800	995	761	778	535	650	843	625	802	760
Estimated Value	10,216,130	44,479,341	19,951,220	29,646,601	37,315,837	29,813,302	52,625,480	36,744,807	31,099,840	112,105,644
Police										
Physical Arrests	3,490	3,285	2,715	2,534	1,982	1,992	2,275	2,267	2,632	1,667
Parking Violations	150	207	135	47	90	229	108	115	111	153
Traffic Violations	15,945	15,929	11,848	19,807	16,056	10,898	12,512	13,765	9,121	5,641
Fire										
Emergency Responses	7,550	8,218	8,114	8,155	8,042	8,431	8,070	8,857	9,028	8,672
Patients Transported	2,628	2,989	3,015	3,038	3,198	3,118	3,000	3,396	3,435	3,381
Fires Extinguished	145	90	103	106	199	115	90	142	96	105
Inspections	2,438	2,901	2,835	3,096	3,152	3,366	3,050	3,210	3,190	2,650
Culture and Recreation										
Parks and Recreation:										
Athletic League Spring Team	12	8	-	-	-	-	-	-	12	13
Athletic League Fall Team	10	-	-	-	-	-	-	-	8	-
Community Center Registration	3,633	3,945	4,040	4,112	4,795	4,483	3,994	3,220	3,652	4,024
Annual Recreation Revenue	281,047	306,587	289,285	332,189	508,903	511,242	489,555	420,446	452,693	69,733
Library										
Population Service	49,700	46,979	48,566	48,721	49,054	49,151	49,234	49,234	49,330	49,330
Number of Library Visits	265,674	279,991	252,506	244,388	221,177	219,543	214,899	178,866	190,788	106,200
Volumes in Collection	90,602	101,395	112,644	118,095	114,573	149,071	143,007	118,978	149,263	112,639
Total Volumes Borrowed	525,401	552,737	579,572	584,917	567,290	545,126	632,599	601,086	623,042	419,262
Turnover Rate	6	5	5	5	4	3	4	5	4	3
Total Operating Expenditures	1,141,421	1,119,609	1,249,419	1,309,275	1,320,502	1,457,919	1,487,263	1,538,473	1,538,473	1,347,721
Cost Per Population Served	23	24	26	27	27	30	30	31	31	27
Total Paid Staff (FTE)	16	16	20	20	19	19	19	19	19	19
Public Works										
Street Repair - Asphalt sq. yard	40,988	36,004	21,850	26,425	27,186	60,935	37,977	90,446	49,616	104,571
Street Repair - Concrete sq. yard	22,661	3,693	3,655	311	6,216	19,623	3,524	-	11,982	4,221
Sidewalk Installation/Repairs - sq. feet	1,684	10,503	5,630	5,950	6,500	9,255	1,383	9,135	17,532	7,092
Water and Sewer										
New Connections - Water	36	5	(14)	23	75	57	44	7	10	1
New Connections - Sewer	63	(7)	6	(4)	51	63	49	8	16	3
Water Main Breaks	39	67	46	46	62	31	16	25	12	11
Stated in Thousands of Gallons:										
Average Daily Consumption	8,988	7,329	6,881	6,403	6,125	6,810	6,252	6,147	5,793	5,966
Peak Daily Consumption	16,232	12,375	10,141	9,588	14,133	13,136	11,840	10,951	11,668	121,101

Source: Various City Departments

City of Bedford, Texas **Table 21**

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	15	15	17	17	17	17	22	22	21	21
Other Units: CID-SWAT-PSO	58	58	50	59	63	65	77	76	76	68
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Fire Equipment Units	5	5	5	5	5	5	5	5	5	5
EMS Units	4	4	4	4	4	5	5	5	5	5
Other Units	11	11	11	11	11	11	11	11	11	11
Regional Grant Units - Homeland Security	11	11	-	-	-	2	2	2	2	2
Other Public Works										
Streets (Miles)	460	460	455	456	456	456	460	460	460	460
Streetlights	1,738	1,738	1,738	1,738	1,738	1,751	1,753	1,753	1,753	1,753
Traffic Signals	24	24	25	25	26	26	26	25	26	27
Parks and Recreation										
Park Acreage	150	150	150	150	155	155	155	140	140	145
Playgrounds	17	17	17	17	16	16	16	16	16	16
Swimming Pools	3	3	4	4	4	4	4	4	4	1
Soccer/Baseball/Softball Fields	6	6	11	11	11	11	11	11	11	6
Community Centers	3	3	3	3	3	3	3	1	1	1
Water										
Water Mains (Miles)	147	147	148	149	165	167	192	192	192	192
Fire Hydrants[a]	1,425	1,425	1,425	1,800	1,800	1,802	1,818	1,818	1,818	1,830
Storage Capacity										
(One Ground Well - 250,000 gallons)	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
(Elevated Storage - 5 million gallons)										
Stormwater										
Storm Sewers (Miles)	91	91	92	92	93	173	198	198	198	198

Source: Various City Departments